

THE NATIONAL ARCHIVES
LITTERA
SCRIPTA
MANET
OF THE UNITED STATES

FEDERAL REGISTER

VOLUME 22 1934 NUMBER 47
Washington, Saturday, March 9, 1957

TITLE 7—AGRICULTURE

Chapter VIII—Commodity Stabilization Service (Sugar), Department of Agriculture

Subchapter E—Determination of Sugar Commercially Recoverable

[Sugar Determination 833.3]

PART 833—MAINLAND CANE SUGAR AREA

1956 CROP

Pursuant to the provisions of section 302 (a) of the Sugar Act of 1948, as amended (hereinafter referred to as "act"), the following determination is hereby issued:

§ 833.3 *Sugar commercially recoverable from sugarcane in the mainland cane sugar area—(a) Definitions.* For the purpose of this section, the terms:

(1) "Trash" means green or dried leaves, loose sugarcane tops, attached sugarcane tops at or above the green leaf roll, dirt and all other extraneous material.

(2) "Gross weight" means the total weight (short tons) of sugarcane, including trash, as delivered by a producer for processing for sugar production.

(3) "Net weight" means: (i) In Louisiana, the weight obtained by deducting from gross weight, the weight of trash in the sugarcane, as determined in the customary manner, and (ii) in Florida, 96.0 percent of gross weight.

(b) *Recoverable sugar.* For the 1956 crop of sugarcane, the amount of sugar, raw value, commercially recoverable from sugarcane grown on a farm in the mainland cane sugar area and marketed (or processed by the producer) for the extraction of sugar or liquid sugar, from an acreage not in excess of the proportionate share for the farm, shall be obtained by multiplying the net weight of the sugarcane by the hundredweight of sugar, raw value, specified for the average percentage of sucrose in the normal juice of such sugarcane as follows:

(1) *For farms in Louisiana.*

Percentage of sucrose in normal juice: ¹	Hundred-weight of sugar
8.0.....	0.901
9.0.....	1.068
10.0.....	1.265
11.0.....	1.442
12.0.....	1.598

Percentage of sucrose in normal juice: ¹ —Continued	Hundred-weight of sugar
13.0.....	1.757
14.0.....	1.919
15.0.....	2.083
16.0.....	2.249
17.0.....	2.418
18.0.....	2.588

¹ Sugar recoverable for the intervening tenths of 1 percent shall be calculated by straight interpolation.

(2) *For farms in Florida.*

Percentage of sucrose in normal juice: ¹	Hundred-weight of sugar
8.0.....	0.940
9.0.....	1.112
10.0.....	1.314
11.0.....	1.496
12.0.....	1.657
13.0.....	1.821
14.0.....	1.988
15.0.....	2.157
16.0.....	2.328
17.0.....	2.502
18.0.....	2.677

¹ Sugar recoverable for the intervening tenths of 1 percent shall be calculated by straight interpolation.

(3) *Computation of rates and applicability.* The rates shown in this section represents the simple averages of sugar commercially recoverable at various normal juice sucrose levels for the crop years 1951, 1952, 1953, 1954, and 1955, with required adjustments to conform to net weight of sugarcane, as defined in paragraph (a) of this section. Sugar commercially recoverable for each such year was computed from data shown on the recapitulation of final sugar manufacturing reports for each of such crops in each State under the formula customarily used for the mainland cane sugar area.

This determination supersedes, with respect to the 1956 crop, § 833.2, Determination of Sugar Commercially Recoverable—Mainland Cane Sugar Area, issued October 20, 1949 (14 F. R. 6514) and amended September 15, 1950 (15 F. R. 6285).

STATEMENT OF BASES AND CONSIDERATIONS

Determinations of amounts of sugar commercially recoverable from sugar beets and sugarcane are required under section 302 (a) of the act to establish

(Continued on next page)

CONTENTS

Agricultural Marketing Service	Page
Proposed rule making:	
Milk marketing areas:	
Greater Wheeling and Clarksburg (W. Va.-Ohio).....	1575
Indianapolis, Ind.....	1574
Rules and regulations:	
Lemons, California and Arizona; limitation of shipments (2 documents).....	1545, 1546
Oranges, navel, Arizona and designated part of California; limitation of handling.....	1545
Agriculture Department	
See Agricultural Marketing Service; Commodity Stabilization Service.	
Alien Property Office	
Notices:	
Vesting orders:	
Dreher-Haggemacher Erste Ungarische Aktienbrauerei A. G.....	1580
Nationals of Hungary.....	1580
Tracta-Marin Butculescu.....	1579
Civil Aeronautics Administration	
Rules and regulations:	
Restricted areas; alteration....	1547
Civil Aeronautics Board	
Notices:	
Hearings, etc.:	
Accident near Sunland, Calif. Hacienda Hotels-Motels, Rooms and Flight Reservations, Inc., and U. S. Aircoach enforcement proceeding.....	1577
Shulman, Inc.; interlock and control relationships.....	1577
Rules and regulations:	
Airplane airworthiness; transport categories; emergency evacuation provisions.....	1546
Commerce Department	
See also Civil Aeronautics Administration.	
Notices:	
Minetti, Al Serafin; report of appointment and statement of financial interests.....	1578
Statements of changes in financial interests:	
Frazza, Louis F.....	1578
Lewis, Richmond.....	1578



Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Federal Register Division, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15 cents) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the CODE OF FEDERAL REGULATIONS, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended August 5, 1953. The CODE OF FEDERAL REGULATIONS is sold by the Superintendent of Documents. Prices of books and pocket supplements vary.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER, or the CODE OF FEDERAL REGULATIONS.

CFR SUPPLEMENTS

(As of January 1, 1957)

The following Supplements are now available:

Title 7, Part 960 to end (\$1.25)

Title 26, Part 300 to end, Ch. I, and Title 27 (\$1.00)

Previously announced: Title 3, 1956 Supp. (\$0.40); Title 7, Parts 900-959 (\$0.50); Title 9 (\$0.70); Title 17 (\$0.60); Title 18 (\$0.50); Title 20 (\$1.00); Title 21 (\$0.50); Title 26, Parts 1-79 (\$0.35), Parts 80-169 (\$0.50), Parts 170-182 (\$0.35), Parts 183-299 (\$0.30); Title 39 (\$0.50).

Order from Superintendent of Documents, Government Printing Office, Washington 25, D. C.

CONTENTS—Continued

Commerce Department—Con.	Page
Notices—Continued	
Statements of changes in financial interests—Continued	
Martin, Terry B.	1578
Sauers, Marguerite M.	1578
Commodity Stabilization Service	
Notices:	
Peanuts; redelegation of final authority by Agricultural Stabilization and Conservation State Committees for Arizona, Louisiana, North Carolina, Oklahoma, South Carolina and Texas.	1577

RULES AND REGULATIONS

CONTENTS—Continued

Commodity Stabilization Service—Continued	Page
Proposed rule making:	
Cotton; marketing, penalties, records and reports for 1956-57 marketing year:	
Extra long staple	1575
Upland	1576
Rules and regulations:	
Sugar, mainland cane area, 1956 crop; sugar commercially recoverable	1543
Education Office	
Rules and regulations:	
Federal assistance in construction of minimum school facilities; second deadline for applications with respect to funds available during fiscal year 1957	1552
Federal Communications Commission	
Rules and regulations:	
Frequency allocations and radio treaty matters; editorial changes	1548
Health, Education, and Welfare Department	
See Education Office.	
Interior Department	
See Mines Bureau.	
Internal Revenue Service	
Proposed rule making:	
Employment taxes; applicable on and after January 1, 1955; collection of income tax at source on wages	1552
Interstate Commerce Commission	
Notices:	
Fourth section applications for relief	1579
Justice Department	
See Alien Property Office.	
Labor Department	
Proposed rule making:	
Child labor regulations, orders and statements of interpretations; occupations involving exposure to radioactive substances and ionizing radiations	1576
Mines Bureau	
Rules and regulations:	
Federal Coal Mine Safety Act of 1952, Title II; added interpretations	1550
Securities and Exchange Commission	
Notices:	
Ohio Edison Co.; proposed acquisition of utility assets	1578
State Department	
Rules and regulations:	
Compensation, additional, in foreign areas	1547
Passports; issuance to Boy Scouts, Scouters, and officials of Boy Scouts of America for use in attending World Jamboree	1550
Treasury Department	
See Internal Revenue Service.	

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 5	Page
Chapter III:	
Part 325	1547
Title 7	
Chapter VII:	
Part 722 (proposed) (2 documents)	1575, 1576
Chapter VIII:	
Part 833	1543
Chapter IX:	
Part 914	1545
Part 953 (2 documents)	1545, 1546
Part 986 (proposed)	1574
Part 1002 (proposed)	1575
Part 1009 (proposed)	1575
Title 14	
Chapter I:	
Part 4b	1546
Chapter II:	
Part 608	1547
Title 22	
Chapter I:	
Part 51	1550
Title 26 (1954)	
Chapter I:	
Part 31 (proposed)	1552
Title 29	
Subtitle A:	
Part 4 (proposed)	1576
Title 30	
Chapter I:	
Part 45	1550
Title 45	
Chapter I:	
Part 112	1552
Title 47	
Chapter I:	
Part 2	1548

the amounts of sugar upon which payments under the act are made.

The previous determination, as issued on October 20, 1949, and amended September 15, 1950, was effective for the crops of 1949 through 1955. The statement issued in conjunction with it reviewed the bases of the determinations which were effective for the crops of 1937 through 1948. The rates of recoverability set forth in those determinations were computed from the average recoveries obtained at the mills in each State during specified crop years. The determination issued in 1949 provided for the use of moving base periods comprising for each crop the next preceding five crop years.

The recovery rates which were effective for the crop years 1937 through 1947 were computed with respect to the gross weight of sugarcane. With the increased use of machinery in harvesting sugarcane in the latter part of this crop period, the amount of trash in sugarcane increased to such an extent that the determinations issued for the crops of 1948 through 1955 provided for use of the net weight of sugarcane. In Louisiana, it has been customary to make

deductions from gross weights of sugarcane for trash based upon samples taken from deliveries made by individual producers. In Florida, sugarcane has been purchased at the Clewiston and Okeelanta mills for a number of years with a standard deduction for trash of 4 percent. No deduction for trash has been made at the Fellsmere mill and, accordingly, the gross weights of sugarcane have been used for that mill area in lieu of net weights. In view of this variation from the general basis, the operators of the Fellsmere mill were requested to make pilot trash determinations on the 1955 crop of sugarcane, in a manner similar to tests conducted on recent crops at the Clewiston and Okeelanta mills. The tests at the Fellsmere mill revealed that the average percentage of trash for the 1955 crop did not differ greatly from the standard deduction made at the other mills. Under these circumstances, it is deemed reasonable and appropriate, beginning with the 1956 crop, to determine net weight of sugarcane at 96 percent of gross weight for all farms in Florida for purposes of Sugar Act payments and to make effective revised recovery rates which reflect the net weight basis. For subsequent consideration of this matter and other problems relating to the tonnage of sugarcane, tests are to be continued at each of the three mills to determine the actual average percentage of trash in sugarcane.

The rates set forth in paragraph (b) (1) and (2) were computed in the same manner as for the crops of 1949 through 1955, except for the adjustments required in using the net weight of sugarcane for the Fellsmere production. This determination also differs from the former one in that several terms are defined in paragraph (a) for clarification purposes. To permit further consideration of the trash problem and other pertinent matters, this determination is made effective for the 1956 crop only.

Accordingly, I hereby find and conclude that the foregoing determination will effectuate the purposes of section 302 (a) of the act.

(Sec. 403, 61 Stat. 932; 7 U. S. C. 1153. Interprets or applies secs. 302, 303, 304; 61 Stat. 930, as amended, 931; 7 U. S. C. 1132, 1133, 1134)

Issued this 6th day of March 1957.

[SEAL] TRUE D. MORSE,
Acting Secretary.

[F. R. Doc. 57-1811; Filed, Mar. 8, 1957;
8:48 a. m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Navel Orange Reg. 109]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

LIMITATION OF HANDLING

§ 914.409 *Navel Orange Regulation 109—(a) Findings.* (1) Pursuant to the marketing agreement, as amended, and

Order No. 14, as amended (7 CFR Part 914; 21 F. R. 4707), regulating the handling of navel oranges grown in Arizona and designated part of California, effective September 22, 1953, under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The Navel Orange Administrative Committee held an open meeting on March 7, 1957, after giving due notice thereof, to consider supply and market conditions for navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such navel oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed on or before the effective date hereof.

(b) *Order.* (1) The quantity of navel oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a. m., P. s. t., March 10, 1957, and ending at 12:01 a. m., P. s. t., March 17, 1957, is hereby fixed as follows:

- (i) District 1: 323,400 cartons;
- (ii) District 2: 739,200 cartons;
- (iii) District 3: Unlimited movement;
- (iv) District 4: Unlimited movement.

(2) All navel oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "District 1," "District 2," "District 3," "District 4," and "carton" have the same meaning as when used in said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: March 8, 1957.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F. R. Doc. 57-1868; Filed, Mar. 8, 1957;
11:51 a. m.]

[Lemon Reg. 676, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 21 F. R. 4393), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice and engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in the State of California or in the State of Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.783 (Lemon Regulation 676, 22 F. R. 1317) are hereby amended to read as follows:

- (ii) District 2: 204,600 cartons.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: March 6, 1957.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F. R. Doc. 57-1822; Filed, Mar. 8, 1957;
8:50 a. m.]

[Lemon Reg. 677]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.784 *Lemon Regulation 677*—(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 20 F. R. 8451; 21 F. R. 4393), regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as herein-after set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on March 6, 1957; such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time thereof.

(b) *Order.* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., March 10, 1957, and

ending at 12:01 a. m., P. s. t., March 17, 1957, is hereby fixed as follows:

- (i) District 1: 6,510 cartons;
 - (ii) District 2: 204,600 cartons;
 - (iii) District 3: Unlimited movement.
- (2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c)

Dated: March 7, 1957.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F. R. Doc. 57-1859; Filed, Mar. 8, 1957;
9:01 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

[Civil Air Regs., Amdt. 4b-5]

PART 4b—AIRPLANE AIRWORTHINESS;
TRANSPORT CATEGORIES

EMERGENCY EVACUATION PROVISIONS

The presently effective emergency evacuation provisions contained in § 4b.362 of Part 4b of the Civil Air Regulations were adopted on November 15, 1951, and were considered appropriate for airplanes which were then in the design stage. Airplanes currently undergoing development are considerably larger in passenger capacity; consequently, the emergency evacuation provisions heretofore effective are considered in need of revision. Furthermore, experience with these requirements indicates a need for additional revision to make them more practicable for application to all airplanes subject to these provisions.

This amendment makes certain changes in the number, size, and location of emergency exits. Also, provision is made for a somewhat greater flexibility of application of these regulations. In addition, this amendment prescribes exit configurations for high-wing airplanes, and provides for evacuation means in case of unplanned ditching in water for all airplanes.

Pursuant to the provisions of § 4b.11 (c) of Part 4b, an applicant for type certification may elect to show compliance with this amendment even though the date of application for type certification was made prior to the effective date of this amendment. However, it is considered that the provisions of § 4b.362 are so interrelated that if the applicant elects to show compliance with any portion of the section, he should be required to show compliance with the entire section.

Interested persons have been afforded an opportunity to participate in the making of this amendment (21 F. R. 7688), and due consideration has been given to all relevant matter presented.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends

Part 4b of the Civil Air Regulations (14 CFR Part 4b, as amended) effective April 9, 1957.

1. By amending the introductory paragraph of § 4b.362 to read as follows:

§ 4b.362 *Emergency evacuation.* Crew and passenger areas shall be provided with emergency evacuation means to permit rapid egress in the event of crash landings, whether with the landing gear extended or retracted, taking into account the possibility of the airplane being on fire. If the airplane is divided into separate compartments arranged so that the minimum unobstructed passageway between such compartments is not available as required by paragraph (g) of this section, requirements of this section shall be applied to each compartment independently. Passenger and crew entrances and service doors shall be considered as emergency exits if they meet the applicable requirements of this section.

2. By amending § 4b.362 (a) to read as follows:

§ 4b.362 *Emergency evacuation.* ***
(a) *Flight crew emergency exits.* Flight crew emergency exits shall be located in the flight crew area, one on each side of the airplane, or, alternatively, a top hatch shall be provided. Such exits shall be of sufficient size and shall be so located as to permit rapid evacuation by the crew. Such exits shall not be required in airplanes having a passenger capacity of 20 or less if the Administrator finds that the proximity of passenger emergency exits to the flight crew area offers a convenient and readily accessible means of evacuation for the flight crew.

3. By amending § 4b.362 (b) to read as follows:

(b) *Passenger emergency exits; type and location.* All required exits shall be in such specific locations as will afford the most effective means of passenger evacuation. The type of exits and their general location shall be as follows:

(1) Type I: A rectangular opening of not less than 24 inches wide by 48 inches high, with corner radii not greater than $\frac{1}{2}$ the width of the exit. The first Type I exit on each side of the fuselage shall be located in the aft portion of the passenger compartment unless the configuration of the airplane is such that some other location would afford a more effective means of passenger evacuation. All Type I exits shall be floor level exits.

(2) Type II: A rectangular opening of not less than 20 inches wide by 44 inches high, with corner radii not greater than $\frac{1}{3}$ the width of the exit. Unless Type I exits are required, one Type II exit on each side of the fuselage shall be located in the aft portion of the passenger compartment except where the configuration of the airplane is such that some other location would afford a more effective means of passenger evacuation. Type II exits shall be floor level exits unless located over the wing in which case they shall have a step-up inside the airplane of not more than 10 inches

and a step-down outside the airplane of not more than 17 inches.

(3) Type III: A rectangular opening of not less than 20 inches wide by 36 inches high, with corner radii not greater than $\frac{1}{2}$ the width of the exit, located over the wing with a step-up inside the airplane of not more than 20 inches and a step-down outside the airplane of not more than 27 inches.

(4) Type IV: A rectangular opening of not less than 19 inches wide by 26 inches high, with corner radii not greater than $\frac{1}{2}$ the width of the exit, located over the wing with a step-up inside the airplane of not more than 29 inches and a step-down outside the airplane of not more than 36 inches.

NOTE: Larger openings than those specified in paragraph (b) of this section shall be acceptable, whether or not of rectangular shape, provided that the specified rectangular openings can be inscribed therein, and provided further that the base of the inscribed rectangular opening meets the specified step-up and step-down heights.

4. By amending § 4b.362 (c) to read as follows:

(c) *Passenger emergency exits; number required.* Emergency exits of the type and location prescribed in paragraph (b) of this section shall be accessible to the passengers and shall be provided in accordance with subparagraphs (1) through (5) of this paragraph.

(1) The relation between the passenger seating capacity and the type and number of exits provided on each side of the airplane shall be as follows:

Passenger seating capacity	Emergency exits required on each side of the fuselage			
	Type I	Type II	Type III	Type IV
1 to 19 inclusive			1	
20 to 39 inclusive		1		1
40 to 59 inclusive	1			1
60 to 79 inclusive	1		1	
80 to 109 inclusive	1	1		1
110 to 139 inclusive	2		1	
140 to 179 inclusive	2		2	
180 to 219 inclusive	2	2		

NOTE: Although similar exits and their locations are prescribed for each side of the fuselage, it is not the intent of this regulation to require that the exits necessarily be at locations diametrically opposite each other.

(2) Additional exits shall be provided on airplanes having 220 or more passengers. The additional exits shall provide an effective means of passenger evacuation consistent with the minima provided in the table in subparagraph (1) of this paragraph.

(3) In applying subparagraph (1) of this paragraph, it shall be acceptable to install 2 Type IV exits in lieu of each required Type III exit.

(4) If the Administrator finds that there exist compensating factors in the emergency evacuation means provided, it shall be permissible to increase the passenger seating capacity beyond that shown in subparagraph (1) of this paragraph, except that such increase in seating capacity shall in no case exceed 10 passengers.

(5) On airplanes where the vertical location of the wing does not permit the installation of over-wing exits, an exit the dimensions of which are not less than those prescribed in paragraph (b) (3) of this section shall be installed for each Type III and each Type IV exit required by subparagraph (1) of this paragraph.

5. By amending § 4b.362 (d) to read as follows:

(d) *Ditching emergency exits.* It shall be shown that there is not less than one emergency exit located above the water line for every 35 passengers and at least one such exit per side shall meet the minimum dimensions of the exit specified in paragraph (b) (3) of this section. It shall be permissible to substitute for any side exit an easily accessible overhead hatch of not less than the clear dimensions of the exit specified in paragraph (b) (3) of this section.

6. By amending § 4b.362 (e) (7) by deleting the words, "other than Type IV (see paragraph (b) of this section)" and substituting in lieu thereof the words, "other than exits located over the wing".

7. By amending § 4b.362 (g) by adding the following sentence at the end thereof: "Access shall be provided from the main aisle to all Type III and Type IV exits and such access shall not be obstructed by seats, berths, or other protrusions to an extent which would reduce the effectiveness of the exit, except that minor obstructions shall be permissible if the Administrator finds that compensating factors are present to maintain the effectiveness of the exit."

8. By amending § 4b.362 (h) by adding the following sentence at the end thereof: "For airplanes having a maximum passenger seating capacity of 19 or less, these aisle widths shall not be less than 12 inches wide up to a height above the floor of 25 inches and not less than 20 inches above that height."

(Sec. 205, 52 Stat. 984; 49 U. S. C. 425. Interprets or applies secs. 601, 603, 52 Stat. 1007, 1009, as amended; 49 U. S. C. 551, 553)

Effective date: April 19, 1957.

Adopted: March 5, 1957.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 57-1796; Filed, Mar. 8, 1957; 8:45 a. m.]

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 189]

PART 608—RESTRICTED AREAS

WILMINGTON, OHIO; ALTERATION

The restricted area alteration appearing hereinafter has been coordinated with the civil operators involved, the Army, the Navy and the Air Force, through the Air Coordinating Committee, Airspace Panel and is adopted to become effective when indicated in order to promote safety of the flying public. Since a military function of the United States is involved, compliance with the

notice, procedure and effective date provisions of section 4 of the Administrative Procedure Act is not required.

Part 608 is amended as follows:

In § 608.43, the Wilmington, Ohio, area (R-109), amended on October 31, 1951 in 16 F. R. 11066, is further amended by changing the "Description by Geographical Coordinates" column to read: "Beginning at latitude 38°48'30", longitude 83°02'00"; thence West to latitude 38°48'30", longitude 83°15'00"; thence Northwest to latitude 39°06'30", longitude 84°00'00"; thence North to latitude 39°20'00", longitude 84°00'00"; thence Northeast to latitude 39°41'45", longitude 83°32'45"; thence East to latitude 39°41'30", longitude 83°15'00"; thence Southeast to latitude 39°30'00", longitude 83°01'30"; thence South to the point of beginning".

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551).

This amendment shall become effective on March 15, 1957.

[SEAL] JAMES T. PYLE,
Administrator of Civil Aeronautics.

[F. R. Doc. 57-1795; Filed, Mar. 8, 1957; 8:45 a. m.]

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter III—Foreign and Territorial Compensation

[Dept. Reg. 108.312]

PART 325—ADDITIONAL COMPENSATION IN FOREIGN AREAS

DESIGNATION OF DIFFERENTIAL POSTS

Section 325.11 *Designation of differential posts* is amended as follows effective on the dates indicated:

1. Effective as of the beginning of the first pay period following March 9, 1957, paragraph (a) is amended by the deletion of the following:

Ishigaki Island, Ryukyus.
Miyako Island, Ryukyus.

2. Effective as of the beginning of the first pay period following March 9, 1957, paragraph (b) is amended by the deletion of the following:

Philippines, all posts except Angeles, Baguio City, Cagayan, Cavite (including Sangley Point), Iligan, Iloilo, Manila and Naga City.

3. Effective as of the beginning of the first pay period following March 9, 1957, paragraph (c) is amended by the deletion of the following:

Iloilo, Philippines.

4. Effective as of the beginning of the first pay period following March 9, 1957, paragraph (b) is amended by the addition of the following:

Cape Makkovik, Canada.
Cut Throat Island, Canada.
Elliston Ridge, Canada.
Fox Harbor, Canada.
La Scie, Canada.

Philippines, all posts except Angeles, Baguio City, Cagayan, Cavite (including Sangley Point), Iligan, Manila and Naga City.

Spotted Isle, Canada.

5. Effective as of the beginning of the first pay period following December 1, 1956, paragraph (c) is amended by the addition of the following:

Aleppo, Syria.

(Sec. 102, Part I, E. O. 10000, 13 F. R. 5453; 3 CFR, 1948 Supp.)

For the Secretary of State.

Dated: February 28, 1957.

I. W. CARPENTER, Jr.,
Assistant Secretary-Controller.

[F. R. Doc. 57-1813; Filed, Mar. 8, 1957;
8:48 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Rules Amdt. 2-28]

PART 2—FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

LAWS, TREATIES, AGREEMENTS AND ARRANGEMENTS RELATING TO RADIO

The Commission having under consideration the desirability of making certain editorial changes in § 2.601 of its rules and regulations; and

It appearing, that the Amendments adopted herein are editorial in nature, and, therefore, prior publication of notice of proposed rule making under the provisions of section 4 of the Administrative Procedure Act is unnecessary, and the amendments may become effective immediately; and

It further appearing, that the amendments adopted herein are issued pursuant to authority contained in sections 4 (i), (5) (d) (1) and 303 (r) of the Communications Act of 1934, as amended, and section 0.341 (a) of the Commission's Statement of Organization, Delegations of Authority and Other Information;

It is ordered, This 4th day of March 1957 that, effective March 4, 1957, § 2.601 is amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U. S. C. 154. Interprets or applies sec. 303, 48 Stat. 1032, as amended; sec. 5, 66 Stat. 713; 47 U. S. C. 303, 155)

Released: March 5, 1957.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

1. Part 2 is amended by replacing the existing text of § 2.601 with the text below:

§ 2.601 *Laws, Treaties, Agreements and Arrangements Relating to Radio.* (Corrected to March 1, 1957. Unless otherwise indicated, copies of these documents listed below may be obtained from the Government Printing Office, Washington 25, D. C.)

(a) The applicable Federal Laws, International Treaties, Agreements, and Arrangements in force relating to radio and to which the United States of America is a party, are listed below:

Date	Series	Subject
1925	T. S. 724-A.....	Arrangements between the United States, Great Britain, Canada, and Newfoundland, Effected by exchange of notes signed Sept. and Oct., 1925, providing for the prevention of interference by ships off the coast of these countries with radio broadcasting. Entered into force Oct. 1, 1925. (Not available at the Government Printing Office.)
1928 and 1929	T. S. 767-A.....	Arrangement between the United States and the Dominion of Canada governing radio communication between private experimental stations. Effected by exchange of notes signed Oct. 2, and Dec. 29, 1928, and Jan. 12, 1929. Entered into force Jan. 1, 1929. This Arrangement is continued by the Arrangement contained in E. A. S. 62. (Not available at the Government Printing Office.)
1929	T. S. 777-A.....	Arrangement between the United States, Canada, Cuba, and Newfoundland relating to assignment of high frequencies on the North American Continent. Effected by exchange of notes signed at Ottawa on Feb. 26 and 28, 1929. Entered into force Mar. 1, 1929. (Cuba ceased to be a party by virtue of notice to the Canadian Government of Oct. 5, 1933.) Arrangement still in force with respect to the United States and Canada (including Newfoundland). (Not available at the Government Printing Office.)
1934	E. A. S. 62.....	Communications Act of 1934, as amended.
1934	E. A. S. 62.....	Arrangement between the United States and the Dominion of Canada relative to radio communications between private experimental stations and between amateur stations. Continues the Arrangement effected by the Arrangement contained in T. S. 767-A. Effected by exchange of notes Apr. 23, and May 2 and 4, 1934. Entered into force on May 4, 1934. (Not available at the Government Printing Office.)
1934	E. A. S. 66.....	Arrangement between the United States and Peru concerning radio communications between amateur stations on behalf of third parties. Effected by exchange of notes signed Feb. 16, and May 23, 1934. Entered into force May 23, 1934. (Not available at the Government Printing Office.)
1934	E. A. S. 72.....	Arrangement between the United States and Chile relative to radio communications between amateur stations on behalf of third parties. Effected by exchange of notes signed Aug. 2 and 17, 1934. Entered into force Aug. 17, 1934. (Not available at the Government Printing Office.)
1937	E. A. S. 109.....	Agreement between the United States and Canada relating to the exchange of information concerning issuance of radio licenses. Effected by exchange of notes signed Mar. 2 and 10, Aug. 17, Sept. 8 and 20, Oct. 9, 1937. Entered into force Sept. 8, 1937. This Agreement was largely superseded by the notification procedure established in the NARBA (T. S. 962, E. A. S. 227, and TIAS 1553) and under the Inter-American Radio Communications Convention (T. S. 938). (Not available at the Government Printing Office.)
1937	T. S. 938.....	Inter-American Radio Communications Convention between the United States and Other Powers. Signed at Havana, Dec. 13, 1937 (First Inter-American Conference). Entered into force Apr. 17, 1939. (Not available at the Government Printing Office.)
1937	T. S. 962.....	North American Regional Broadcasting Agreement (NARBA) between the United States, Canada, Cuba, Dominican Republic, Haiti, and Mexico. Signed at Havana, Dec. 13, 1937. Entered into force Mar. 29, 1941. E. A. S. 227 and TIAS 1553 supplement this Agreement. (Not available at the Government Printing Office.)
1938	T. S. 940.....	Regional Radio Convention between the United States (in behalf of the Canal Zone) and Other Powers. Signed at Guatemala City, Dec. 8, 1938. Entered into force Oct. 8, 1939. (Not available at the Government Printing Office.)
1938	E. A. S. 136.....	Arrangement between the United States and Canada relative to Radio Broadcasting. Effected by exchange of notes signed Oct. 28, and Dec. 10, 1938. Entered into force Mar. 29, 1941. (Not available at the Government Printing Office.)
1938	E. A. S. 142.....	Agreement between the United States and Canada concerning Radio Communications. Effected by exchange of notes signed in June, July, August, September, October, November and December 1938. Entered into force Aug. 1, 1938. (Not available at the Government Printing Office.)
1939	E. A. S. 143.....	Arrangement between the United States and Canada concerning the Use of Radio for Civil Aeronautical Services. Effected by exchange of notes signed Feb. 20, 1939. Entered into force Feb. 20, 1939. (Not available at the Government Printing Office.)
1940	E. A. S. 196.....	Agreement between the United States and Mexico with regard to Broadcasting. Effected by exchange of notes signed Aug. 24, and 28, 1940. Entered into force Mar. 29, 1941. (Not available at the Government Printing Office.)
1941	E. A. S. 227.....	Supplementary North American Regional Broadcasting Agreement signed at Washington, D. C., Jan. 30, 1941. Entered into force Mar. 29, 1941. (See T. S. 962 and TIAS 1553.) (Not available at the Government Printing Office.)
1946	TIAS 1527.....	Agreement between the United States and the Union of Soviet Socialist Republics on Organization of Commercial Radio Teletype Communication Channels. Signed at Moscow, May 24, 1946. Entered into force May 24, 1946. (Not available at the Government Printing Office.)
1946	TIAS 1553.....	North American Regional Broadcasting (NARBA) Interim Agreement between the United States and Other Governments (Modus Vivendi). Signed at Washington, D. C., Feb. 25, 1946. Entered into force Mar. 29, 1946. (See T. S. 962 and E. A. S. 227.) Amended by an Arrangement between the United States and Canada concerning Engineering Standards Applicable to the Allocation of Standard Broadcasting Stations (540-1600 kc) (TIAS 1802 which entered into force Apr. 1, 1948). (Not available at the Government Printing Office.)
1947	TIAS 1652.....	Agreement between the United States and the United Kingdom of Great Britain and Northern Ireland concerning Telecommunication Standardization of Distance Measuring Equipment. Signed at Washington, D. C., Oct. 13, 1947. Entered into force Oct. 13, 1947. (Not available at the Government Printing Office.)
1947	TIAS 1676.....	Agreement between the United States and the United Nations relative to headquarters of the U. N. Signed at Lake Success, June 26, 1947. Entered into force Nov. 21, 1947, by an exchange of notes between the United States Representative to the United Nations and the Secretary-General of the U. N. (The provisions of this Agreement were also made Public Law 357 of the 80th Congress, approved Aug. 4, 1947.) (Not available at the Government Printing Office.)
1947	TIAS 1726.....	Agreement between the United States and Canada providing for Frequency Modulation Broadcasting in Channels in the r. f. band 88-108 Mc. Effected by exchange of notes signed at Washington, D. C., Jan. 8, and Oct. 15, 1947. Entered into force Oct. 15, 1947. (Not available at the Government Printing Office.)
1947	-----	Agreement between the United States and the Republic of the Philippines concerning the use of radio facilities in the Philippines. Signed at Manila, Sept. 4, 1947. Entered into force on the date of its signature as a modus vivendi pending ratification by the Senate of the Philippines. (Not available at the Government Printing Office.)
1947	TIAS 1901.....	International Radio Regulations. Signed at Atlantic City, Oct. 2, 1947. Entered into force Jan. 1, 1949, except for those Radio Regulations enumerated in Article 47. However, the effective date provisions of the Radio Regulations Article 47 have been superseded by the provisions of the Agreement signed at the Extraordinary Administrative Radio Conference, Geneva, 1951. (This printing contains also the International Telecommunication Convention, Atlantic City, 1947, which is superseded by the International Telecommunication Convention, Buenos Aires, 1952. The printing does not contain the Additional Radio Regulations since the United States is not a party thereto. Copies of the Atlantic City Radio Regulations which include the Additional Radio Regulations, are available only from the International Telecommunication Union, Geneva, Switzerland.) (Not available at the Government Printing Office.)

* T. S.—Treaty Series.
International Acts Series.

E. A. S.—Executive Agreement Series. TIAS—Treaties and other

Date	Series 1	Subject
1955	TIAS 3665	Agreement between the United States and Costa Rica concerning Radio Communications between Amateur Stations on Behalf of Third Parties. Effected by exchange of notes signed at Washington, D. C., August 13, and Oct. 19, 1955. Entered into force Oct. 19, 1956.
1956	TIAS 3694	Agreement between the United States and Nicaragua concerning Radio Communications between Amateur Stations on Behalf of Third Parties. Effected by exchange of notes signed at Managua Oct. 8, and 16, 1956. Entered into force Oct. 16, 1956.

¹ T. S.—Treaty Series.
E. A. S.—Executive Agreement Series, TIAS—Treaties and other International Acts Series.

(b) In addition, the United States of America is bound by certain treaties and agreements which are generally considered as superseded because some of the contracting countries other than the United States did not become a party to subsequent treaties and agreements. The United States is, in such instances, bound by the older agreement with respect to its relations with those particular countries. These include the following:

Date	Series 1	Subject
1912	T. S. 531	International Radiotelegraph Convention. Final Protocol and Service Regulations. Signed at London, July 5, 1912. Entered into force July 1, 1913. (Not available at the Government Printing Office.)
1927	T. S. 767	International Radiotelegraph Convention and General Regulations. Signed at Washington, D. C., Nov. 25, 1927. Entered into force Jan. 1, 1929. (Not available at the Government Printing Office.)
1932	T. S. 867	International Telecommunication Convention, General Radio Regulations annexed to the International Telecommunication Convention. Signed at Madrid Dec. 9, 1932. Entered into force for the United States June 12, 1934. (Not available at the Government Printing Office.)
1937	E. A. S. 200	Inter-American Arrangement concerning Radiocommunications and Annex. Signed at Havana Dec. 13, 1937. Entered into force for the United States July 18, 1938. This Arrangement was replaced by the Inter-American Agreement concerning Radiocommunications signed at Santiago Jan. 26, 1940 (E. A. S. 231). (Not available at the Government Printing Office.)
1938	T. S. 948	General Radio Regulations (Caro Revision, 1938) and Final Radio Protocol (Caro Revision, 1938) annexed to the International Telecommunication Convention of Madrid, 1932. Superseded by the Radio Regulations (Atlantic City, 1947) annexed to the International Telecommunication Convention. Entered into force Sept. 1, 1939. (Not available at the Government Printing Office.)
1940	E. A. S. 231	Inter-American Radio Communications Agreement between the United States, Canada, and Other American Republics. (Second Inter-American Radio Conference). Signed at Santiago Jan. 26, 1940. Entered into force with respect to the United States June 26, 1941. Replaced by the Inter-American Radio Agreement signed at Washington, D. C., July 9, 1949. (TIAS 2489). (Not available at the Government Printing Office.)
1947	TIAS 1901	International Telecommunication Convention. Signed at Atlantic City, Oct. 2, 1947. Entered into force Jan. 1, 1949. Superseded by the International Telecommunication Convention signed at Buenos Aires, Dec. 22, 1952 (TIAS 2266). This printing contains also the Radio Regulations and other documents still in force. (Not available at the Government Printing Office.)

¹ T. S.—Treaty Series. E. A. S.—Executive Agreement Series. TIAS—Treaties and other International Acts Series.

(c) The following agreements have been signed by the United States and are included because of their importance or of the imminence of their effective dates:

Date	Series 1	Subject
1950		North American Regional Broadcasting Agreement (NARBA) between the United States, Canada, Cuba, Dominican Republic, United Kingdom of Great Britain and Northern Ireland for the Territories in the North American Region (Bahama Islands and Jamaica). Signed at Washington, D. C., Nov. 15, 1950. Agreement will enter into force subsequent to ratification or adherence of at least three of the following four countries, in accordance with Part III, Paragraph 1, of the Agreement: Canada, Cuba, Mexico, and the United States. Subject to ratification procedure in the United States. (Not available at the Government Printing Office. Available from the Department of State, Telecommunications Division, Washington 25, D. C.)

¹ TIAS—Treaties and Other International Acts Series.

Date	Series 1	Subject
1948	TIAS 1802	Arrangement between the United States and Canada concerning Radio Broadcasting Engineering Standards Applicable to the Allocation of Standard Broadcasting Frequencies (540-1600 kc.). Effected by exchange of notes signed at Washington, D. C., Dec. 24, 1947, and Apr. 1, 1948. Entered into force Apr. 1, 1948. (Not available at the Government Printing Office.)
1948	TIAS 2495	International Convention for the Safety of Life at Sea and Annexed Regulations. Signed at London, Oct. 10, 1948. Entered into force Nov. 19, 1952.
1949	TIAS 2175	Telegraph Regulations (Paris Revision, 1949), annexed to the International Telegraph Regulations Convention and Final Protocol to the Telegraph Regulations. Signed at Paris Aug. 5, 1949. Entered into force with respect to the United States Sept. 26, 1950.
1949	TIAS 2435	Agreement between the United States and Certain British Commonwealth Governments regarding Telecommunications. Signed at London, Aug. 12, 1949. Entered into force Feb. 24, 1950. This Agreement was amended by TIAS 2705 which was signed Oct. 1, 1952.
1949	TIAS 2489	Inter-American Radio Agreement between the United States and Canada and Other American Republics. (Fourth Inter-American Radio Conference). Signed at Washington, D. C., July 9, 1949. Entered into force Apr. 13, 1952, subject to the provisions of Article 13.
1950	TIAS 2433	Arrangement between the United States and Ecuador concerning Radio Communications between Amateur Stations on Behalf of Third Parties. Effected by exchange of notes signed at Quito, Mar. 16 and 17, 1950. Entered into force Mar. 17, 1950.
1951	TIAS 2223	Agreement between the United States and Liberia regarding Radio Communications between Amateur Stations on Behalf of Third Parties. Effected by exchange of notes signed at Monrovia, Nov. 9, 1950, and Jan. 8, 9, and 10, 1951. Entered into force Jan. 11, 1951.
1951	TIAS 2508	Treaty with Canada relating to Mutual Recognition by the United States and Canada of Certain Radio Station and Operator Licenses issued in either country. Signed at Ottawa, Feb. 8, 1951. Entered into force May 15, 1952. (Not available at the Government Printing Office.)
1951	TIAS 2259	Agreement between the United States and Ceylon concerning the Use of Facilities of Radio Ceylon. Effected by exchange of notes signed at Colombo, May 12 and 14, 1951. Entered into force May 14, 1951.
1951	TIAS 2366	Agreement between the United States and Mexico which assigns Television Frequency Channels to Cities within 250 Miles of the United States-Mexico Border. Effected by exchange of notes signed at Mexico Aug. 10, and Sept. 26, 1951. Entered into force Sept. 26, 1951. (TIAS 2366 is amended by TIAS 2654 which was signed at Mexico City, June 4 and 25, 1952.)
1951	TIAS 2459	Agreement between the United States and Cuba concerning the Control of Electromagnetic Radiation. Effected by exchange of notes signed at Havana, Dec. 10 and 18, 1951. Entered into force Dec. 18, 1951.
1951	TIAS 2753	Agreement signed at the Extraordinary Administrative Radio Conference to bring into force the Table of Frequency Allocations and other provisions of the Radio Regulations (Atlantic City, 1947) not brought into force Jan. 1, 1949. Signed at Geneva, Dec. 3, 1951.
1952	TIAS 2520	Agreement between the United States and Cuba regarding Radio Communications between Amateur Stations on Behalf of Third Parties. Effected by exchange of notes signed at Havana, Sept. 17, 1951, and Feb. 27, 1952. Entered into force Feb. 27, 1952. (Not available at the Government Printing Office.)
1952	TIAS 2504	Agreement between the United States and Canada which assigns Television Frequency Channels to Cities within 250 miles of the United States-Canadian Border. Effected by exchange of notes signed at Ottawa April 23, 1952, and June 23, 1952. Entered into force June 23, 1952. (Not available at the Government Printing Office.)
1952	TIAS 2654	Amendment to TIAS 2366. Amends the Agreement between the United States and Mexico on the Allocation of Television Channels Along the United States-Mexico Border. Signed at Mexico June 4, and 25, 1952. Entered into force June 25, 1952.
1952	TIAS 2666	Agreement between the United States and Canada for the Purpose of Promoting Safety on the Great Lakes by Means of Radio. The Agreement applies to vessels of all countries as provided for in Article 3. Signed at Ottawa, Feb. 21, 1952. Entered into force Nov. 13, 1954. (Not available at the Government Printing Office.)
1952	TIAS 2705	London Revision (1952) of the London Telecommunication Agreement (1949) between the United States and Canada and Certain British Commonwealth Governments. Signed at London, Oct. 1, 1952. Entered into force Oct. 1, 1952. This amends the International Telecommunication Convention. Signed at Buenos Aires, Dec. 22, 1952.
1952	TIAS 2266	International Telecommunication Convention. Signed at Buenos Aires, Dec. 22, 1952. Entered into force with respect to the United States June 27, 1955.
1953	TIAS 3138	Understanding between United States and Canada relating to the sealing of mobile radio transmitting equipment. Effected by exchange of notes signed at Washington, D. C., Mar. 9 and 17, 1953. Entered into force Mar. 17, 1953.
1956	TIAS 3617	Agreement between the United States and Panama concerning Radio Communications between Amateur Stations on Behalf of Third Parties. Effected by exchange of notes signed at Panama July 19, and Aug. 1, 1956. Entered into force Sept. 1, 1956.

¹ T. S.—Treaty Series. E. A. S.—Executive Agreement Series. TIAS—Treaties and other International Acts Series.

² In addition, certain Resolutions and Recommendations were adopted by a number of countries, members of the International Telecommunication Union Region 2 at Washington, D. C., on July 9, 1949. (Not available at the Government Printing Office. Available from the International Telecommunication Union, Geneva, Switzerland.)

Date	Series ¹	Subject
1957		Agreement between the United States and Mexico on the use of standard band broadcasting channels (535-1605 kc.). Signed at Mexico City, Jan. 29, 1957. Agreement will enter into force immediately subsequent to ratification by the constitutional procedures of each government. Subject to ratification procedure in the United States. (Not available at the Government Printing Office.)

¹ TIAS—Treaties and Other International Acts Series.

(d) There are, in addition to the foregoing, certain treaties, agreements, or arrangements primarily concerned with matters other than the use of radio but which affect the work of the Federal Communications Commission, insofar as they involve communications. Among the most important of these are the following:

Date	Series ¹	Subject
1944	TIAS 1591	International Civil Aviation Convention. ² Signed at Chicago, Dec. 7, 1944. Entered into force Apr. 4, 1947.
1946 to present		ICAO Regional Air Navigation Meetings, Communications Committee Final Reports. ²
1946		ICAO Communication Division, Second Session, Montreal. ²
1949		ICAO Communication Division, Third Session, Montreal. ²
1951		ICAO Communication Division, Fourth Session, Montreal. ²
1954		ICAO Communication Division, Fifth Session, Montreal. ²

¹ TIAS—Treaties and Other International Acts Series.

² Not available at the Government Printing Office. Available from the Secretary General of ICAO, International Aviation Bldg., 1080 University St., Montreal, Canada.

[F. R. Doc. 57-1782; Filed, Mar. 8, 1957; 8:52 a. m.]

TITLE 22—FOREIGN RELATIONS

Chapter I—Department of State

[Dept. Reg. 108.113]

PART 51—PASSPORTS

ISSUANCE TO BOY SCOUTS, SCOUTERS, OR OFFICIALS OF BOY SCOUTS OF AMERICA FOR USE IN ATTENDING WORLD JAMBOREE OF BOY SCOUTS IN ENGLAND IN JULY AND AUGUST, 1957

By virtue of and pursuant to the authority vested in me by section 4 of the act of July 14, 1956 (Public Law 707, 84th Cong., 2d sess.), I hereby prescribe the following regulations governing the issuing of passports to Boy Scouts, Scouters, and officials of the Boy Scouts of America who are nationals of the United States for use in attending the World Jamboree of Boy Scouts to be held in England in the months of July and August 1957:

WORLD JAMBOREE OF BOY SCOUTS IN 1957

- Sec.
- 51.171 Application and evidence.
 - 51.172 Consent of parent or guardian.
 - 51.173 Passport to include only one person.
 - 51.174 Restriction upon validity.
 - 51.175 Disposition of passport.
 - 51.176 Statement as to purpose of passport.
 - 51.177 Fee for issue of passport.

AUTHORITY: §§ 51.171 to 51.177 issued under sec. 1, 44 Stat. 887; 22 U. S. C. 211a.

§ 51.171 *Application and evidence.* Any Boy Scout, Scouter, or official of the Boy Scouts of America who is a national of the United States and who desires to attend the World Jamboree to be held in England, 1957, must execute an application for a passport in accordance with this part, comprising rules governing the granting and issuing of passports in the United States prescribed by Executive Order 7856 of March 31, 1938. Such application must be executed before a clerk of a Federal court or a State court authorized, by the act of Congress of October 14, 1940 (54 Stat. 1137; 8 U. S. C. 907), to naturalize aliens or be-

fore an agent of the Department of State in Washington, D. C.; New York, New York; Boston, Massachusetts; Chicago, Illinois; New Orleans, Louisiana; San Francisco, California; or Los Angeles, California. In addition to complying with the requirements of such rules, each such Boy Scout, Scouter, or official shall submit to the Department of State a certificate issued by a responsible officer of the National Council, Boy Scouts of America, as to his qualification that he is representing the National Council at the World Jamboree of Boy Scouts. No fee shall be charged by a Federal official for the execution of an application for a passport of such person.

§ 51.172 *Consent of parent or guardian.* The consent of a parent or other guardian of a Boy Scout or Scouter under the age of 21 years will be assumed in the absence of a specific request by the parent or other guardian to the Department that a passport be denied the minor.

§ 51.173 *Passport to include only one person.* A passport, when issued, shall not include any person other than the one who executed the application and who has been certified by the National Council, Boy Scouts of America, as provided for in § 51.171.

§ 51.174 *Restriction upon validity.* Each passport issued under §§ 51.171 to 51.177 shall be restricted in validity to a period not later than October 15, 1957.

§ 51.175 *Disposition of passport.* If a passport is issued to a Boy Scout, Scouter, or official who finds it impracticable to attend the World Jamboree, it should be returned as promptly as possible to the Passport Office, Department of State, for cancellation. It will not thereafter be returned to the person to whom it was issued.

§ 51.176 *Statement as to purpose of passport.* Each passport issued under §§ 51.171 to 51.177 shall bear an appro-

priate statement as to the purpose for which it is issued.

§ 51.177 *Fee for issue of passport.* No fee shall be charged for the issue of a passport under §§ 51.171 to 51.177.

These regulations will become ineffective on October 16, 1957.

Dated: February 27, 1957.

For the Secretary of State,

LOY W. HENDERSON,
Deputy Under Secretary for
Administration.

[F. R. Doc. 57-1814; Filed, Mar. 8, 1957; 8:48 a. m.]

TITLE 30—MINERAL RESOURCES

Chapter I—Bureau of Mines, Department of the Interior

Subchapter I—Interpretations

PART 45—TITLE II, FEDERAL COAL MINE SAFETY ACT OF 1952

ADDED INTERPRETATIONS

Part 45, Title II, Federal Coal Mine Safety Act is amended to include the following new sections:

- Sec.
- 45.6 Statutory provisions (sec. 203 (a) (1)).
 - 45.6-1 Drop-bottom cars used for man trips.
 - 45.20-1 Coal-producing shift.
 - 45.40-2 Application of rock dust wet.
 - 45.44-4 Maintenance of permissible equipment.
 - 45.46 Statutory provisions (sec. 209 (g) (1)).
 - 45.46-1 Minimum requirements.
 - 45.46-2 Fire classification.
 - 45.46-3 Efficiency ratings.

AUTHORITY: §§ 45.6 to 45.46-3 issued under sec. 205, 66 Stat. 697; 30 U. S. C. 475.

§ 45.6 *Statutory provisions (sec. 203 (a) (1)).*

If a duly authorized representative of the Bureau, upon making an inspection of a mine as authorized in section 203, finds danger that a mine explosion, mine fire, mine inundation, or man-trip or man-hoist accident will occur in such mine immediately or before the imminence of such danger can be eliminated, he shall also find the extent of the area of such mine throughout which such danger exists. Thereupon he shall immediately make an order requiring the operator of such mine to cause all persons, excepting persons referred to in paragraph (2) of this subsection, to be withdrawn from, and to be debarred from entering, such area. Such findings and order shall contain a detailed description of the conditions which such representative finds cause and constitute such danger, and a description of the area of such mine throughout which persons must be withdrawn and debarred.

§ 45.6-1 *Drop-bottom cars used for man trips.* Failure to provide special locking devices on drop-bottom cars used for transporting men on man trips shall be considered danger that a man-trip accident will occur immediately or before the imminence of such danger can be eliminated, within the meaning of section 203 (a) (1).

§ 45.20-1 *Coal-producing shift.* The term "coal-producing shift" as used in section 203 means any shift during which

one or more of the following operations necessary in the production of coal are performed: Cutting, blasting, loading, or the haulage of coal from face areas, regardless of whether or not the coal is dumped at a tippie.

§ 45.40-2 *Application of rock dust wet.* So long as the percentages of incombustible content specified in section 209 (e) (5) are maintained, rock dust applied wet in the following manner shall be considered as compliance with said section: The application of wet rock dust should be limited to rib and roof surfaces in face areas, which means it should not be used on the floor or for redusting mine surfaces outby the immediate face areas. In such applications only limestone or marble dust which meets the specifications contained in section 201 (a) (11) should be used; the application should be at the rate of not less than 3 ounces (weight) of dust per square foot of surface, and should be by a mixture of not more than 6 to 8 gallons of water with 100 pounds of dust, whether by premixed slurry or by mixing at the nozzle of a hose, to assure that the mixture is not too fluid and that sufficient dust adheres to the surfaces. Wet rock-dusting of ribs and roof does not eliminate the necessity for dry rock-dusting the floor, which can be accomplished with shovels or otherwise without creating undesirable dust clouds. Whether or not additional dry rock dust will be required after wet dust dries, depends on certain factors such as the ready dispersibility of the rock dust after drying, and the rate of settling of fine float (coal) dust on surfaces that were dusted wet.

§ 45.44-4 *Maintenance of permissible equipment.* The exception in section 209 (f) (1) of the act permitting the use of nonpermissible electric face equipment in a gassy mine applies also to any permissible electric face equipment that was rendered nonpermissible by alteration of its electrical parts before the effective date of the act or before the mine in which it is used became gassy, whichever is later. Permissible equipment loses its permissibility if it is not maintained in permissible condition or if any change or any rebuilding or repair thereof does not conform with the requirements of §§ 18.36 and 18.37 of this chapter (Bureau of Mines Schedule 2F "Electric Motor-Driven Mine Equipment, Junction Boxes and Other Accessory Equipment" [Revised]).

§ 45.46 *Statutory provisions (sec. 209 (g) (1)).*

Each mine shall be provided with suitable fire-fighting equipment, adequate for the size of the mine.

§ 45.46-1 *Minimum requirements.* The minimum requirements for providing "suitable fire-fighting equipment, adequate for the size of the mine", as these words are used in section 209 (g) (1) of the act, are here set forth with reference to "Class A", "Class B", and "Class C" fires as these terms are defined and explained in §§ 45.46-2 and 45.46-3. It is recognized, however, that fire control standards at some mines may be equivalent or superior to, although not

the same as, the standards herein stated. In such instances the fire control system shall be considered as complying with said section 209 (g) (1).

(a) Unless fire extinguishers are carried on portable machines, two fire extinguishing units suitable for Class C fires and at least 240 pounds of rock dust or dry sand shall be located within 600 feet of any point where any mining machine, loading machine, or other self-propelled electrical equipment, except a locomotive, is being operated. Where fire extinguishers are carried on portable machines, only one fire extinguishing unit suitable for Class C fires is required for each machine. Wherever practicable, a chemical fire extinguisher suitable for Class C fires shall be provided on each locomotive.

(b) Unless a belt line is protected by a pipeline paralleling the belt, containing water under pressure, and with outlet valves and sufficient hose so that water will reach any point along the belt line, a fire extinguishing unit suitable for Class C fires, or some other extinguishing agent such as rock dust, dry sand, or water, shall be provided at each belt drive and tailpiece and at intervals of 300 feet along the belt. The joints of an articulated belt system are not considered to be drives or tailpieces for this purpose. Each such supply of rock dust or sand shall be in an amount of at least 240 pounds; and each such supply of water (other than in a parallel pipeline) shall be at least a barrel of water and three pails.

(c) A fire extinguishing unit suitable for Class C fires and another extinguishing agent, such as 240 pounds of rock dust or dry sand, shall be provided at each electrical installation, such as permanent pumping stations, battery-charging stations, and substations, and in shops.

(d) Two fire extinguishing units suitable for Class B fires and at least 240 pounds of rock dust or dry sand shall be provided at each permanent underground oil-storage station. Where 25 gallons or more of oil are stored on a working section, at least 240 pounds of rock dust or dry sand shall be provided.

(e) Rock dust or suitable fire extinguishers shall be immediately available during welding, cutting, or soldering with arc or flame in underground workings in other than a fireproof enclosure.

(f) Unless water lines, equipped with outlet valves at intervals of not more than 500 feet and capable of delivering 50 gallons of water per minute at a nozzle pressure of 50 pounds per square inch, are installed along main and secondary haulage roads and extend to the working sections; and unless 1,000 feet of fire hose with fittings suitable for connection with such water lines are available; two water-tank cars of at least 1,000 gallons capacity each, equipped with a high-pressure pump and not less than 300 feet of fire hose with nozzles, or two portable chemical cars containing or carrying equivalent protection, shall be provided in mines where the underground production is 300 tons or more per shift; provided, that a high-pressure rock-dusting machine fitted with at least 250 feet of hose, with at least 60 sacks of

rock dust in good condition near it at all times, may be substituted for one water-tank car or chemical car. These units shall be stationed at strategic locations and ready for use at all times. Where two or more adjacent mines are connected by track, one of the two water tanks or chemical cars required for each mine may be a common unit.

(g) A fire extinguishing unit suitable for Class C fires or a minimum of 240 pounds of rock dust or dry sand shall be provided at each wooden door through which power lines pass.

(h) Unless water is piped to the faces of working places at a pressure and volume such that a hose will deliver at least 50 gallons of water a minute at a nozzle pressure of 50 pounds per square inch, a fire extinguishing unit suitable for Class A fires, or 240 pounds of rock dust or dry sand, or a barrel of water and three pails, shall be available within 600 feet of each working face. One such fire-prevention unit may serve for more than one working face provided it is within the 600-foot limit.

(i) Each underground stable shall be provided either with a water line fitted with a hydrant or hose tap near the entrance and fire hose of a minimum diameter of 1½ inches, long enough to reach the entire length of the stable, and fitted with a ½-inch nozzle; or a 500-gallon truck-mounted water tank stored near the entrance of the stable and provided with 200 feet of 1½-inch fire hose fitted with ½-inch nozzle.

(j) At every mine there shall be available for emergency use the following materials: 5 tons of rock dust, 1,000 board feet of brattice boards, 3 rolls of brattice cloth, 2 hand saws, 25 pounds 8" nails, 25 pounds 10" nails, 25 pounds 16" nails, 3 claw hammers, 25 bags of wood fiber plaster or 10 bags of cement.

(k) Fire extinguishers and all auxiliary equipment shall be maintained in usable operative condition. Chemical fire extinguishers shall be examined every six months.

(l) All chemical fire extinguishers purchased after the date of the publication of these interpretations shall be approved by Underwriters' Laboratories, Inc., or Factory Mutual Laboratories and carry appropriate labels.

§ 45.46-2 *Fire classification.* It is essential that the fire classification adopted by the National Fire Protection Association be thoroughly understood before an attempt is made to provide fire-fighting facilities; otherwise, fire-fighting equipment is likely to be inadequate and unsuitable. The following explains the N. F. P. A. classifications which have been modified slightly by the Bureau of Mines to permit the use of loaded stream extinguishers on Class C fires except where high voltage is likely to be encountered.

(a) *Class A fires.* Class A fires are defined as those in ordinary solid, combustible materials, such as coal, wood, rubber, textiles, paper, and rubbish. Fires of these materials can be best controlled through the quenching or cooling action of water or solutions containing large proportions of water. Chemical fire extinguishers, such as soda acid, foam, and loaded stream, also can be used success-

fully on fires in this class. Other types of chemical fire extinguishers are somewhat limited in their effectiveness when used on Class A fires. Rock dust and fine sand may be used, but in some instances, such as overhead fires, these agents are difficult to apply.

(b) *Class B fires.* Class B fires are defined as those flammable liquids, such as fuel or lubricating oils, grease, paint, varnish, and lacquer. Blanketing or smothering is essential for fighting this class of fire successfully. Chemical fire extinguishers, such as foam, dry chemical, liquid carbon dioxide, vaporizing liquid, and loaded stream, are suitable for Class B fires. Rock dust or fine sand may be used also. In no case should water be used unless a "spray," "mist," or "fog" nozzle is provided. Class B fires are considered by fire-fighting authorities to be the most difficult to control; they are likely to spread rapidly.

(c) *Class C fires.* Class C fires are defined as those in (live) electrical equipment, such as oil-filled transformers, generators, motors, switch panels, circuit breakers, insulated electrical conductors, and other electrical devices. A nonconducting extinguishing agent is essential for fighting fires of this class. Chemical fire extinguishers, such as liquid carbon dioxide, dry chemical, and vaporizing liquid, are suitable for fires in this class. Rock dust or fine sand may be used also, but either of these—the latter in particular—may damage electrical equipment. Loaded stream extinguishers may be used on Class C fires except where high voltages are likely to be encountered. When the electric circuit has been deenergized, the nonconducting recommendation previously mentioned may be ignored. However, when planning fire-fighting facilities for Class C fire hazards this exception should not be given weight. Where electricity is involved in a fire, it is advisable to deenergize the circuit as soon as possible, because, under certain conditions, a fire cannot be extinguished when a live circuit exists at the seat of the fire.

§ 45.46-3 *Efficiency ratings.* (a) The comparative efficiency ratings of various hand-type fire-fighting facilities commonly used are provided in the following tabulation and should be used in determining the size extinguisher required. The letters A, B, and C indicate suitability according to fire classification, and the numbers represent the quantity needed to provide a fire-fighting unit. The absence of any letter in a rating indicates that the facility should not be used for that particular class of fire or that its efficiency is too limited to be given a rating.

(b) A 12-quart fire pail has a rating of A-5 and a 2½-gallon pump tank has a rating of A-1, indicating that it will take 5 pails of water to equal a 2½-gallon pump tank on a Class A fire. In the case of a 10-pound liquid carbon dioxide extinguisher, having a rating of B-2 and C-1, it will take two of these to provide a fire-fighting unit for a Class B fire, but only one is needed for a Class C fire; this extinguisher can be used on an A fire but its efficiency is too limited to be

given a rating for such. For example, a Class A rated extinguisher, in the absence of any other letter, should not be used on a Class B or C fire, but an extinguisher rated for Class B and C fires may be used on a Class A fire—the absence of the letter A in this case indicates that the efficiency for fighting a Class A fire is limited.

TABULATION OF EFFICIENCY RATINGS

Fire pail (water).....	12-quart	A-5		
Pump tank (water).....	2½ gallons	A-1		
Gas pressure (water).....	2½ gallons	A-1		
Loaded stream 1.....	1 gallon	A-2	B-4	C-4
Do.....	1½ gallons	A-1	B-2	C-2
Do.....	2½ gallons	A-1	B-1	C-1
Soda acid.....	1½ gallons	A-2		
Do.....	2½ gallons	A-1		
Foam.....	1½ gallons	A-2	B-2	
Do.....	2½ gallons	A-1	B-1	
Liquid carbon dioxide.....	5 pounds	B-2	C-2	
Do.....	10 pounds	B-2	C-1	
Do.....	15 pounds	B-1	C-1	
Dry chemical.....	4 pounds	B-2	C-2	
Do.....	10 pounds	B-2	C-1	
Do.....	15 pounds	B-1	C-1	
Carbon tetrachloride 2.....	1 quart	B-2	C-2	
Do.....	2 quarts	B-2	C-2	
Do.....	1 gallon	B-2	C-1	
Do.....	2 gallons	B-2	C-1	
Sand pails.....	12-quart	B-5		
(Use should be supplemented by other equipment.)				
Rock dust.....	Suitable for A, B, or C fires			
(see following note).				

NOTE: Tests to determine the value of rock dust as a fire-extinguishing agent have not been extensive enough to establish a unit value in comparison with accepted standards of the N. F. P. A. Based on the information available, a reasonable value for mine use is that three 80-pound sacks be accepted as one unit for Class A, B, or C fires. A shovel with a long handle will assist greatly in applying the rock dust and reduce loss through waste.

¹ This extinguisher not recommended for use on Class C fires if high voltage is likely to be encountered.

² It has never been the policy of the Bureau of Mines to discourage the use of carbon tetrachloride fire extinguishers under all conditions. The Bureau has, however, consistently advised against their use in confined and unventilated places in mines. This type of extinguisher shall not be used where there is likelihood of dangerous concentrations of the fumes and gases evolved passing over workmen. Neither should they be used where there is no ready means of escape for the operator providing he is not properly equipped with respiratory protection.

MARLING J. ANKENY,
Director,
Bureau of Mines.

[F. R. Doc. 57-1798; Filed, Mar. 8, 1957;
8:45 a. m.]

TITLE 45—PUBLIC WELFARE

Chapter I—Office of Education, Department of Health, Education, and Welfare

PART 112—FEDERAL ASSISTANCE IN CONSTRUCTION OF MINIMUM SCHOOL FACILITIES UNDER TITLE III IN AREAS AFFECTED BY FEDERAL ACTIVITIES WITH RESPECT TO APPLICATIONS FILED AFTER JUNE 30, 1956

SECOND DEADLINE FOR APPLICATIONS WITH RESPECT TO FUNDS AVAILABLE DURING FISCAL YEAR 1957

Subpart B of Part 112, 45 CFR (21 F. R. 6194, August 17, 1956) issued pursuant to title III of Public Law 815, 81st Congress (64 Stat. 967), as added by Public Law 246, 83d Congress (67 Stat. 522), and as amended by Public Law 731, 83d Congress (68 Stat. 1005), and by the 84th Congress by Public Law 382 (69 Stat. 713), Public Law 896 (70 Stat. 908), and Public Law 949 (70 Stat. 968), is hereby amended by adding a new section in order to establish a second deadline date for filing applications with respect to funds available

during fiscal year 1957. The new section reads as follows:

§ 112.21 *Second deadline for applications with respect to funds available during fiscal year 1957.* Pursuant to section 303 of title III, June 24, 1957, is fixed as the date on or before which all complete applications for payments to which an applicant may be entitled under title III from funds then available for such purposes shall be filed. Complete applications heretofore filed in compliance with the act since June 30, 1956, and for which funds have not been reserved, shall be considered as filed for the purposes of this section subject to the right of the applicant to modify or amend the same on or before June 24, 1957.

(Sec. 208, 64 Stat. 975; 20 U. S. C. 278)

Dated: February 21, 1957.

[SEAL] L. G. DERTHICK,
United States Commissioner
of Education.

Approved: March 5, 1957.

M. B. FOLSOM,
Secretary of Health, Education
and Welfare.

[F. R. Doc. 57-1819; Filed, Mar. 8, 1957;
8:50 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR (1954) Part 31]

EMPLOYMENT TAXES; APPLICABLE ON AND AFTER JANUARY 1, 1955

COLLECTION OF INCOME TAX AT SOURCE ON WAGES

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below in tentative form are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. Prior to the final adoption of such regulations, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: T. P. Washington 25, D. C., within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U. S. C. 7805).

[SEAL] RUSSEL G. HARRINGTON,
Commissioner of Internal Revenue.

The following regulations, relating to collection of income tax at source on wages, are hereby prescribed under chapter 24 of the Internal Revenue Code

of 1954, as amended, and, except as specifically provided otherwise, are applicable with respect to remuneration paid after December 31, 1954:

- Sec.
31.3401 (a) Statutory provisions; definitions; wages.
31.3401 (a)-1 Wages.
31.3401 (a)-2 Exclusions from wages.
31.3401 (a) (1) Statutory provisions; definitions; wages; certain remuneration of members of the Armed Forces.
31.3401 (a) (1)-1 Remuneration of members of the Armed Forces of the United States for active service in combat zone or while hospitalized as a result of such service.
31.3401 (a) (2) Statutory provisions; definitions; wages; remuneration paid for agricultural labor.
31.3401 (a) (2)-1 Agricultural labor.
31.3401 (a) (3) Statutory provisions; definitions; wages; remuneration paid for domestic service.
31.3401 (a) (3)-1 Remuneration for domestic service.
31.3401 (a) (4) Statutory provisions; definitions; wages; cash remuneration for service not in the course of employer's trade or business.
31.3401 (a) (4)-1 Cash remuneration for service not in the course of employer's trade or business.
31.3401 (a) (5) Statutory provisions; definitions; wages; remuneration for services for foreign government or international organization.
31.3401 (a) (5)-1 Remuneration for services for foreign government or international organization.
31.3401 (a) (6) Statutory provisions; definitions; wages; remuneration for services of certain nonresident alien individuals.
31.3401 (a) (6)-1 Remuneration for services of certain nonresident alien individuals.
31.3401 (a) (7) Statutory provisions; definitions; wages; remuneration for services performed by nonresident alien individuals who are residents of a contiguous country and who enter and leave at frequent intervals.
31.3401 (a) (7)-1 Remuneration for services performed by nonresident alien individuals who are residents of a contiguous country and who enter and leave the United States at frequent intervals.
31.3401 (a) (8) (A) Statutory provisions; definitions; wages; remuneration paid for services performed by citizens outside the United States.
31.3401 (a) (8) (A)-1 Remuneration for services performed outside the United States by citizens of the United States.
31.3401 (a) (8) (B) Statutory provisions; definitions; wages; remuneration for services performed in possession of the United States (other than Puerto Rico) by citizen of the United States.
31.3401 (a) (8) (B)-1 Remuneration for services performed in possession of the United States (other than Puerto Rico) by citizen of the United States.
31.3401 (a) (8) (C) Statutory provisions; definitions; wages; remuneration for services performed in Puerto Rico by citizen of the United States.
31.3401 (a) (8) (C)-1 Remuneration for services performed in Puerto Rico by citizen of the United States.
31.3401 (a) (9) Statutory provisions; definitions; wages; remuneration for services performed by a minister of a church or a member of a religious order.
31.3401 (a) (9)-1 Remuneration for services performed by a minister of a church or a member of a religious order.
31.3401 (a) (10) Statutory provisions; definitions; wages; remuneration for services in the delivery or distribution of newspapers, shopping news, or magazines.

- Sec.
31.3401 (a) (10)-1 Remuneration for services in delivery or distribution of newspapers, shopping news, or magazines.
31.3401 (a) (11) Statutory provisions; definitions; wages; remuneration other than in cash for services not in the course of employer's trade or business.
31.3401 (a) (11)-1 Remuneration other than in cash for service not in the course of employer's trade or business.
31.3401 (a) (12) Statutory provisions; definitions; wages; payments from or to certain tax-exempt trusts or under or to certain annuity plans.
31.3401 (a) (12)-1 Payments from or to certain tax-exempt trusts or under or to certain annuity plans.
31.3401 (b) Statutory provisions; definitions; payroll period.
31.3401 (b)-1 Payroll period.
31.3401 (c) Statutory provisions; definitions; employee.
31.3401 (c)-1 Employee.
31.3401 (d) Statutory provisions; definitions; employer.
31.3401 (d)-1 Employer.
31.3401 (e) Statutory provisions; definitions; number of withholding exemptions claimed.
31.3401 (e)-1 Number of withholding exemptions claimed.
31.3402 (a) Statutory provisions; income tax collected at source; requirement of withholding.
31.3402 (a)-1 Requirement of withholding.
31.3402 (b) Statutory provisions; income tax collected at source; percentage method of withholding.
31.3402 (b)-1 Percentage method of withholding.
31.3402 (c) Statutory provisions; income tax collected at source; wage bracket withholding.
31.3402 (c)-1 Wage bracket withholding.
31.3402 (d) Statutory provisions; income tax collected at source; tax paid by recipient.
31.3402 (d)-1 Failure to withhold.
31.3402 (e) Statutory provisions; income tax collected at source; included and excluded wages.
31.3402 (e)-1 Included and excluded wages.
31.3402 (f) (1) Statutory provisions; income tax collected at source; withholding exemptions.
31.3402 (f) (1)-1 Withholding exemptions.
31.3402 (f) (2) Statutory provisions; income tax collected at source; withholding exemptions; exemption certificates.
31.3402 (f) (2)-1 Withholding exemption certificates.
31.3402 (f) (3) Statutory provisions; income tax collected at source; withholding exemptions; when exemption certificate takes effect.
31.3402 (f) (3)-1 When withholding exemption certificate takes effect.
31.3402 (f) (4) Statutory provisions; income tax collected at source; withholding exemptions; period during which exemption certificate remains in effect.
31.3402 (f) (4)-1 Period during which withholding exemption certificate remains in effect.
31.3402 (f) (5) Statutory provisions; income tax collected at source; withholding exemptions; form and contents of exemption certificate.
31.3402 (f) (5)-1 Form and contents of withholding exemption certificate.
31.3402 (g) Statutory provisions; income tax collected at source; overlapping pay periods, and payment by agent or fiduciary.
31.3402 (g)-1 Supplemental wage payments.
31.3402 (g)-2 Wages paid for payroll period of more than one year.
31.3402 (g)-3 Wages paid through an agent, fiduciary, or other person on behalf of two or more employers.

- Sec.
31.3402 (h) Statutory provisions; income tax collected at source; withholding on basis of average wages.
31.3402 (h)-1 Withholding on basis of average wages.
31.3402 (i) Statutory provisions; income tax collected at source; additional withholding.
31.3402 (i)-1 Additional withholding.
31.3402 (j) Statutory provisions; income tax collected at source; noncash remuneration to retail commission salesman.
31.3402 (j)-1 Remuneration other than in cash for service performed by retail commission salesman.
31.3403 Statutory provisions; liability for tax.
31.3403-1 Liability for tax.
31.3404 Statutory provisions; return and payment by governmental employer.
31.3404-1 Return and payment by governmental employer.

SUBPART E—COLLECTION OF INCOME TAX AT SOURCE ON WAGES (CHAPTER 24, INTERNAL REVENUE CODE OF 1954)

§ 31.3401 (a) Statutory provisions; definitions; wages.

SEC. 3401. Definitions—(a) Wages. For purposes of this chapter, the term "wages" means all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration paid in any medium other than cash; except that such term shall not include remuneration paid—

§ 31.3401 (a)-1 Wages—(a) In general. (1) The term "wages" means all remuneration for services performed by an employee for his employer unless specifically excepted under section 3401 (a) or excepted under section 3402 (e). See §§ 31.3401 (a) to 31.3401 (a) (12)-1, inclusive, and § 31.3402 (e)-1.

(2) The name by which the remuneration for services is designated is immaterial. Thus, salaries, fees, bonuses, commissions on sales or on insurance premiums, pensions, and retired pay are wages within the meaning of the statute if paid as compensation for services performed by the employee for his employer.

(3) The basis upon which the remuneration is paid is immaterial in determining whether the remuneration constitutes wages. Thus, it may be paid on the basis of piecework, or a percentage of profits; and may be paid hourly, daily, weekly, monthly, or annually.

(4) Generally the medium in which the remuneration is paid is also immaterial. It may be paid in cash or in something other than cash, as for example, stocks, bonds, or other forms of property. (See, however, § 31.3401 (a) (11)-1, relating to the exclusion from wages of remuneration paid in any medium other than cash for services not in the course of the employer's trade or business.) If services are paid for in a medium other than cash, the fair market value of the thing taken in payment is the amount to be included as wages. If the services were rendered at a stipulated price, in the absence of evidence to the contrary, such price will be presumed to be the fair value of the remuneration received. If a corporation transfers to its employees its own stock as remuneration for services rendered by the employee, the amount of such remunera-

tion is the fair market value of the stock at the time of the transfer.

(5) *Remuneration for services*, unless such remuneration is specifically excepted by the statute, constitutes wages even though at the time paid the relationship of employer and employee no longer exists between the person in whose employ the services were performed and the individual who performed them.

Example. A is employed by R during the month of January 1955 and is entitled to receive remuneration of \$100 for the services performed for R, the employer, during the month. A leaves the employ of R at the close of business on January 31, 1955. On February 15, 1955 (when A is no longer an employee of R), R pays A the remuneration of \$100 which was earned for the services performed in January. The \$100 is wages within the meaning of the statute.

(b) *Certain specific items*—(1) *Pensions and retirement pay.* (i) In general, pensions and retired pay are wages subject to withholding. However, no withholding is required with respect to amounts paid to an employee upon retirement which are taxable as annuities under the provisions of section 72 or 403. So-called pensions awarded by one to whom no services have been rendered are mere gifts or gratuities and do not constitute wages. Those payments of pensions or other benefits by the Federal Government under Title 38 of the United States Code which are excluded from gross income are not wages subject to withholding.

(ii) *Retirement pay for service in the Armed Forces of the United States, the Coast and Geodetic Survey, or the Public Health Service* is subject to withholding unless such pay is excluded from gross income under section 104 (a) (4), or is taxable as an annuity under the provisions of section 72. Where such retirement pay (not excluded from gross income under section 104 (a) (4) and not taxable as an annuity under the provisions of section 72) is paid to a nonresident alien individual, withholding is required only in the case of such amounts paid to a nonresident alien individual who is a resident of Puerto Rico.

(2) *Traveling and other expenses.* Amounts paid specifically—either as advances or reimbursements—for traveling or other bona fide ordinary and necessary expenses incurred or reasonably expected to be incurred in the business of the employer are not wages and are not subject to withholding. Traveling and other reimbursed expenses must be identified either by making a separate payment or by specifically indicating the separate amounts where both wages and expense allowances are combined in a single payment.

(3) *Vacation allowances.* Amounts of so-called "vacation allowances" paid to an employee constitute wages. Thus, the salary of an employee on vacation, paid notwithstanding his absence from work, constitutes wages.

(4) *Dismissal payments.* Any payments made by an employer to an employee on account of dismissal, that is, involuntary separation from the service of the employer, constitute wages regardless of whether the employer is legally

bound by contract, statute, or otherwise to make such payments.

(5) *Deductions by employer from remuneration of an employee.* Any amount deducted by an employer from the remuneration of an employee is considered to be a part of the employee's remuneration and is considered to be paid to the employee as remuneration at the time that the deduction is made. It is immaterial that any act of Congress, or the law of any State or of Puerto Rico, requires or permits such deductions and the payment of the amounts thereof to the United States, a State, a Territory, Puerto Rico, or the District of Columbia, or any political subdivision of any one or more of the foregoing.

(6) *Payment by an employer of employees' tax, or employee's contributions under a State law.* The term "wages" includes the amount paid by an employer on behalf of an employee (without deduction from the remuneration of, or other reimbursement from, the employee) on account of any payment required from an employee under a State unemployment compensation law, or on account of any tax imposed upon the employee by any taxing authority, including the taxes imposed by sections 3101 and 3201.

(7) *Remuneration for services as employee of nonresident alien individual or foreign entity.* The term "wages" includes remuneration for services performed by a citizen or resident of the United States as an employee of a nonresident alien individual, foreign partnership, or foreign corporation whether or not such alien individual or foreign entity is engaged in trade or business within the United States. Any person paying wages on behalf of a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States (including Puerto Rico as if a part of the United States), is subject to all the provisions of law and regulations applicable with respect to an employer. See § 31.3401 (d)-1, relating to the term "employer", and § 31.3401 (a) (8) (C)-1, relating to remuneration paid for services performed by a citizen of the United States in Puerto Rico.

(8) *Amounts paid under wage continuation plans*—(i) *Amounts paid before January 1, 1956* * * *

NOTE: Regulations to be prescribed under this subdivision (i) will conform with the provisions of § 406.207 (i) (26 CFR (1939) 406.207 (i)) of Regulations 120 (26 CFR (1939) Part 406), Collection of Income Tax at Source on Wages, which section was added by Treasury Decision 6128, approved March 25, 1955 (20 F. R. 1973). Regulations 120 were made applicable to the Internal Revenue Code of 1954 by Treasury Decision 6091, signed August 16, 1954 (19 F. R. 5167).

(ii) *Amounts paid after December 31, 1955* * * *

NOTE: For regulations under this subdivision, see Treasury Decision 6155, approved December 27, 1955 (20 F. R. 10097).

(9) *Value of meals and lodging.* The value of any meals or lodging furnished to an employee by his employer is not subject to withholding if the value of the meals or lodging is excludable from the

gross income of the employee. See the Income Tax Regulations (Part 1 of this chapter) under section 119.

(10) *Facilities or privileges.* Ordinarily, facilities or privileges (such as entertainment, medical services, or so-called "courtesy" discounts on purchases), furnished or offered by an employer to his employees generally, are not considered as wages subject to withholding if such facilities or privileges are of relatively small value and are offered or furnished by the employer merely as a means of promoting the health, good will, contentment, or efficiency of his employees.

(11) *Tips or gratuities.* Tips or gratuities paid directly to an employee by a customer of an employer, and not accounted for by the employee to the employer, are not subject to withholding.

(12) *Remuneration for services performed by permanent resident of Virgin Islands*—(i) *Exemption from withholding.* No tax shall be withheld for the United States under chapter 24 from a payment of wages by an employer, including the United States or any agency thereof, to an employee if at the time of payment it is reasonable to believe that the employee will be required to satisfy his income tax obligations with respect to such wages under section 28 (a) of the Revised Organic Act of the Virgin Islands. That section provides that all persons whose permanent residence is in the Virgin Islands "shall satisfy their income tax obligations under applicable taxing statutes of the United States by paying their tax on income derived from all sources both within and outside the Virgin Islands into the treasury of the Virgin Islands".

(ii) *Claiming exemption.* If the employee furnishes to the employer a statement in duplicate that he expects to satisfy his income tax obligations under section 28 (a) of the Revised Organic Act of the Virgin Islands with respect to all wages subsequently to be paid to him by the employer during the taxable year to which the statement relates, the employer may, in the absence of information to the contrary, rely on such statement as establishing reasonable belief that the employee will so satisfy his income tax obligations. The employee's statement shall identify the taxable year to which it relates, and both the original and the duplicate copy thereof shall be signed and dated by the employee.

(iii) *Disposition of statement.* The original of the statement shall be retained by the employer. The duplicate copy of the statement shall be sent by the employer to the Director of International Operations, Washington 25, D. C., on or before the last day of the calendar year in which the employer receives the statement from the employee.

(iv) *Applicability of subparagraph.* This subparagraph has no application with respect to any payment of remuneration which is not subject to withholding by reason of any other provision of the regulations in this subpart.

§ 31.3401 (a)-2 *Exclusions from wages*—(a) *In general.* (1) The term "wages" does not include any remunera-

tion for services performed by an employee for his employer which is specifically excepted from wages under section 3401 (a) (see paragraph (b) of this section and §§ 31.3401 (a) (1)-1 to 31.3401 (a) (12)-1, inclusive).

(2) The exception attaches to the remuneration for services performed by an employee and not to the employee as an individual; that is, the exception applies only to the remuneration in an excepted category.

Example. A is an individual who is employed part time by B to perform domestic service in his home (see § 31.3401 (a) (3)-1). A is also employed by C part time to perform services as a clerk in a department store owned by him. While no withholding is required with respect to A's remuneration for services performed in the employ of B (the remuneration being excluded from wages), the exception does not embrace the remuneration for services performed by A in the employ of C and withholding is required with respect to the wages for such services.

(3) For provisions relating to the circumstances under which remuneration which is excepted is nevertheless deemed to be wages, and relating to the circumstances under which remuneration which is not excepted is nevertheless deemed not to be wages, see § 31.3402 (e)-1.

(b) *Fees paid a public official.* (1) Authorized fees paid to public officials such as notaries public, clerks of courts, sheriffs, etc., for services rendered in the performance of their official duties are excepted from wages and hence are not subject to withholding. However, salaries paid such officials by the Government, or by a Government agency or instrumentality, are subject to withholding.

(2) Amounts paid to precinct workers for services performed at election booths in State, county, and municipal elections and fees paid to jurors and witnesses are in the nature of fees paid to public officials and therefore are not subject to withholding.

§ 31.3401 (a) (1) *Statutory provisions; definitions; wages; certain remuneration of members of the Armed Forces.*

SEC. 3401. *Definitions.*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(1) For active service as a member of the Armed Forces of the United States performed in a month for which such member is entitled to the benefits of section 112; or

§ 31.3401 (a) (1)-1 *Remuneration of members of the Armed Forces of the United States for active service in combat zone or while hospitalized as a result of such service.* Remuneration paid for active service as a member of the Armed Forces of the United States performed in a month during any part of which such member served in a combat zone (as determined under section 112) or is hospitalized at any place as a result of wounds, disease, or injury incurred while serving in such a combat zone is excepted from wages and is, therefore, not subject to withholding. The exception with respect to hospitalization is applicable, however, only if during all of such month there are combatant activities in

some combat zone (as determined under section 112). See the Income Tax Regulations (Part 1 of this chapter) under section 112.

§ 31.3401 (a) (2) *Statutory provisions; definitions; wages; remuneration paid for agricultural labor.*

SEC. 3401. *Definitions.*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(2) For agricultural labor (as defined in section 3121 (g)); or

§ 31.3401 (a) (2)-1 *Agricultural labor.* The term "wages" does not include remuneration for services which constitute agricultural labor as defined in section 3121 (g). For regulations relating to the definition of the term "agricultural labor", see § 31.3121 (g)-1 in Subpart B of this part.

§ 31.3401 (a) (3) *Statutory provisions; definitions; wages; remuneration paid for domestic service.*

SEC. 3401. *Definitions.*—(a) *Wages.* For purpose of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(3) For domestic service in a private home, local college club, or local chapter of a college fraternity or sorority; or

§ 31.3401 (a) (3)-1 *Remuneration for domestic service.*—(a) *In a private home.*

(1) Remuneration paid for services of a household nature performed by an employee in or about a private home of the person by whom he is employed is excepted from wages and hence is not subject to withholding. A private home is a fixed place of abode of an individual or family. A separate and distinct dwelling unit maintained by an individual in an apartment house, hotel, or other similar establishment may constitute a private home. If a dwelling house is used primarily as a boarding or lodging house for the purpose of supplying board or lodging to the public as a business enterprise, it is not a private home, and the remuneration paid for services performed therein is not within the exception.

(2) In general, services of a household nature in or about a private home include services performed by cooks, waiters, butlers, housekeepers, governesses, maids, valets, baby sitters, janitors, laundresses, furnacemen, caretakers, handymen, gardeners, footmen, grooms, and chauffeurs of automobiles for family use.

(b) *In a local college club or local chapter of a college fraternity or sorority.*

(1) Remuneration paid for services of a household nature performed by an employee in or about the club rooms or house of a local college club or of a local chapter of a college fraternity or sorority by which he is employed is excepted from wages and hence is not subject to withholding. A local college club or local chapter of a college fraternity or sorority does not include an alumni club or chapter. If the club rooms or house of a local college club or local chapter of a college fraternity or sorority is used pri-

marily for the purpose of supplying board or lodging to students or the public as a business enterprise, the remuneration paid for services performed therein is not within the exception.

(2) In general, services of a household nature in or about the club rooms or house of a local college club or local chapter of a college fraternity or sorority include services rendered by cooks, waiters, butlers, maids, janitors, laundresses, furnacemen, handymen, gardeners, housekeepers, and housemothers.

(c) *Remuneration not excepted.* Remuneration paid for services not of a household nature, such as services performed as a private secretary, tutor, or librarian, even though performed in the employer's private home or in a local college club or local chapter of a college fraternity or sorority, is not within the exception. Remuneration paid for services of a household nature is not within the exception if performed in or about rooming or lodging houses, boarding houses, clubs, (except local college clubs), hotels, hospitals, eleemosynary institutions, or commercial offices or establishments.

§ 31.3401 (a) (4) *Statutory provisions; definitions; wages; cash remuneration for service not in the course of employer's trade or business.*

SEC. 3401. *Definitions.*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(4) For service not in the course of the employer's trade or business performed in any calendar quarter by an employee, unless the cash remuneration paid for such service is \$50 or more and such service is performed by an individual who is regularly employed by such employer to perform such service. For purposes of this paragraph, an individual shall be deemed to be regularly employed by an employer during a calendar quarter only if—

(A) On each of some 24 days during such quarter such individual performs for such employer for some portion of the day service not in the course of the employer's trade or business; or

(B) Such individual was regularly employed (as determined under subparagraph (A)) by such employer in the performance of such service during the preceding calendar quarter; or

§ 31.3401 (a) (4)-1 *Cash remuneration for service not in the course of employer's trade or business.* (a) Cash remuneration paid for services not in the course of the employer's trade or business performed by an employee for an employer in a calendar quarter is excepted from wages and hence is not subject to withholding unless—

(1) The cash remuneration paid for such services performed by the employee for the employer in the calendar quarter is \$50 or more; and

(2) Such employee is regularly employed in the calendar quarter by such employer to perform such services.

Unless the tests set forth in both subparagraphs (1) and (2) of this paragraph are met, cash remuneration for service not in the course of the em-

employer's trade or business is excluded from wages. (For provisions relating to the exclusion from wages of remuneration paid in any medium other than cash for services not in the course of the employer's trade or business, see § 31.3401 (a) (11)-1.)

(b) The term "services not in the course of the employer's trade or business" includes services that do not promote or advance the trade or business of the employer. As used in this section, the term does not include service not in the course of the employer's trade or business performed on a farm operated for profit or domestic service in a private home, local college club, or local chapter of a college fraternity or sorority. Accordingly, this exception does not apply with respect to remuneration which is excepted from wages under section 3401 (a) (2) or section 3401 (a) (3) (see §§ 31.3401 (a) (2)-1 and 31.3401 (a) (3)-1, respectively). Remuneration paid for service performed for a corporation does not come within the exception.

(c) The test relating to cash remuneration of \$50 or more is based on the remuneration earned during a calendar quarter rather than on the remuneration paid in a calendar quarter. However, for purposes of determining whether the test is met, it is also required that the remuneration be paid, although it is immaterial when the remuneration is paid. Furthermore, in determining whether \$50 or more has been paid for service not in the course of the employer's trade or business, only cash remuneration for such service shall be taken into account. The term "cash remuneration" includes checks and other monetary media of exchange. Remuneration paid in any other medium, such as lodging, food, or other goods or commodities, is disregarded in determining whether the cash-remuneration test is met.

(d) For purposes of this exception, an individual is deemed to be regularly employed by an employer during a calendar quarter only if—

(1) Such individual performs service not in the course of the employer's trade or business for such employer for some portion of the day on at least 24 days (whether or not consecutive) during such calendar quarter; or

(2) Such individual was regularly employed (as determined under subparagraph (1) of this paragraph) by such employer in the performance of service not in the course of the employer's trade or business during the preceding calendar quarter.

(e) In determining whether an employee has performed service not in the course of the employer's trade or business on at least 24 days during a calendar quarter, there shall be counted as one day—

(1) Any day or portion thereof on which the employee actually performs such service; and

(2) Any day or portion thereof on which the employee does not perform service of the prescribed character but with respect to which cash remuneration is paid or payable to the employee for such service, such as a day on which the employee is sick or on vacation.

An employee who on a particular day reports for work and, at the direction of his employer, holds himself in readiness to perform service not in the course of the employer's trade or business shall be considered to be engaged in the actual performance of such service on that day. For purposes of this exception, a day is a continuous period of 24 hours commencing at midnight and ending at midnight.

§ 31.3401 (a) (5) *Statutory provisions; definitions; wages; remuneration for services for foreign government or international organization.*

SEC. 3401. *Definitions*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(5) For services by a citizen or resident of the United States for a foreign government or an international organization; or

§ 31.3401 (a) (5)-1 *Remuneration for services for foreign government or international organization*—(a) *Services for foreign government.* (1) Remuneration paid for services performed as an employee of a foreign government is excepted from wages and hence is not subject to withholding. The exception includes not only remuneration paid for services performed by ambassadors, ministers, and other diplomatic officers and employees but also remuneration paid for services performed as a consular or other officer or employee of a foreign government or as a nondiplomatic representative of such a government. However, the exception does not include remuneration for services performed for a corporation created or organized in the United States or under the laws of the United States or any State (including the District of Columbia or the Territory of Alaska or Hawaii) or of Puerto Rico even though such corporation is wholly owned by such a government.

(2) The citizenship or residence of the employee and the place where the services are performed are immaterial for purposes of the exception.

(b) *Services for international organization.* (1) Subject to the provisions of section 1 of the International Organizations Immunities Act, remuneration paid for services performed within or without the United States by an employee for an international organization as defined in section 7701 (a) (18) is excepted from wages and hence is not subject to withholding. The term "employee" as used in the preceding sentence includes not only an employee who is a citizen or resident of the United States but also an employee who is a nonresident alien individual. The term "employee" also includes an officer. An organization designated by the President through appropriate Executive order as entitled to enjoy the privileges, exemptions, and immunities provided in the International Organizations Immunities Act may enjoy the benefits of the exclusion from wages with respect to remuneration paid for services performed for such organization prior to the date of the issuance of such Executive order, if (i) the Executive order does not provide otherwise and (ii)

the organization is a public international organization in which the United States participates, pursuant to a treaty or under the authority of an act of Congress authorizing such participation or making an appropriation for such participation, at the time such services are performed.

(2) Section 7701 (a) (18) provides as follows:

SEC. 7701. *Definitions.* (a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(18) *International organization.* The term "international organization" means a public international organization entitled to enjoy privileges, exemptions, and immunities as an international organization under the International Organizations Immunities Act (22 U. S. C. 288-288f).

(3) Section 1 of the International Organizations Immunities Act provides as follows:

SECTION 1. [International Organizations Immunities Act.] For the purposes of this title [International Organizations Immunities Act], the term "international organization" means a public international organization in which the United States Participates pursuant to any treaty or under the authority of any Act of Congress authorizing such participation or making an appropriation for such participation, and which shall have been designated by the President through appropriate Executive order as being entitled to enjoy the privileges, exemptions, and immunities herein provided. The President shall be authorized, in the light of the functions performed by any such international organization, by appropriate Executive order to withhold or withdraw from any such organization or its officers or employees any of the privileges, exemptions, and immunities provided for in this title (including the amendments made by this title) or to condition or limit the enjoyment by any such organization or its officers or employees of any such privilege, exemption, or immunity. The President shall be authorized, if in his judgment such action should be justified by reason of the abuse by an international organization or its officers and employees of the privileges, exemptions, and immunities herein provided or for any other reason, at any time to revoke the designation of any international organization under this section, whereupon the international organization in question shall cease to be classed as an international organization for the purposes of this title.

§ 31.3401 (a) (6) *Statutory provisions; definitions; wages; remuneration for services of certain nonresident alien individuals.*

SEC. 3401. *Definitions*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(6) For services performed by a nonresident alien individual, other than—

(A) A resident of a contiguous country who enters and leaves the United States at frequent intervals; or

(B) A resident of Puerto Rico if such services are performed as an employee of the United States or any agency thereof; or

§ 31.3401 (a) (6)-1 *Remuneration for services of certain nonresident alien individuals.* (a) Except in the case of cer-

tain nonresident alien individuals who are residents of Canada, Mexico, or Puerto Rico, remuneration for services performed by nonresident alien individuals does not constitute wages subject to withholding under section 3402. For withholding of income tax on remuneration paid for services performed within the United States in the case of nonresident alien individuals generally, see the Income Tax Regulations (Part 1 of this chapter) under section 1441.

(b) Remuneration paid to nonresident aliens who are residents of a contiguous country (Canada or Mexico) and who enter and leave the United States at frequent intervals is not excepted from wages under section 3401 (a) (6). See, however, § 31.3401 (a) (7)-1, relating to remuneration paid to such nonresident alien individuals when engaged in transportation service.

(c) Remuneration paid to a nonresident alien individual for services performed in Puerto Rico for an employer (other than the United States or any agency thereof) is excepted from wages and hence is not subject to withholding, even though such alien individual is a resident of Puerto Rico at the time when such services are performed. Wages paid for services performed by a nonresident alien individual who is a resident of Puerto Rico are subject to withholding if such services are performed as an employee of the United States or any agency thereof. The place of performance of such services is immaterial, provided such alien individual is a resident of Puerto Rico at the time of performance of the services. Wages representing retirement pay for service in the Armed Forces of the United States, the Coast and Geodetic Survey, or the Public Health Service are subject to withholding, under the limitations specified in § 31.3401 (a)-1 (b) (1) (ii), in the case of an alien resident of Puerto Rico.

§ 31.3401 (a) (7) *Statutory provisions; definitions; wages; remuneration for services performed by nonresident alien individuals who are residents of a contiguous country and who enter and leave the United States at frequent intervals.*

Sec. 3401. *Definitions*—(a) *Wages*. For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(7) For such services, performed by a nonresident alien individual who is a resident of a contiguous country and who enters and leaves the United States at frequent intervals, as may be designated by regulations prescribed by the Secretary or his delegate; or

§ 31.3401 (a) (7)-1. *Remuneration for services performed by nonresident alien individuals who are residents of a contiguous country and who enter and leave the United States at frequent intervals.* (a) Remuneration paid to nonresident aliens who are residents of a contiguous country (Canada or Mexico) and who, in the performance of their duties in transportation service between points in the United States and points

in a contiguous country, enter and leave the United States at frequent intervals is excepted from wages and hence is not subject to withholding. This exception applies to personnel engaged in railroad, bus, ferry, steamboat and aircraft services and applies alike whether the employer is a domestic or foreign entity. Thus, the remuneration of a nonresident alien individual who is a resident of Canada and an employee of a domestic railroad, for services as a member of the crew of a train operating between points in Canada and points in the United States, is not subject to withholding under section 3402. The exception, however, has no application to the remuneration of a resident of Canada who, for example, is employed at a fixed point in the United States, such as a factory, store, or office, and who commutes from his home in Canada in the pursuit of his employment within the United States; nor does it apply to the remuneration of an alien employee of a railroad corporation who is on duty within the United States, even though he enters and leaves the United States in reaching his place of employment from his home in a contiguous country.

(b) In order for the exception to apply, the non-resident alien employee must furnish his employer a statement showing the employee's name and address and certifying (1) that he is not a citizen of the United States, (2) that he is a resident of Canada or Mexico, as the case may be, and (3) the approximate period of time during which he has occupied such status. Such statement shall be dated, shall be signed by the employee, and shall contain, or be verified by, a written declaration that it is made under the penalties of perjury. No particular form is prescribed for this statement.

§ 31.3401 (a) (8) (A) *Statutory provisions; definitions; wages; remuneration paid for services performed by citizens outside the United States.*

Sec. 3401. *Definitions*—(a) *Wages*. For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(8) (A) For services for an employer (other than the United States or any agency thereof)—

(i) Performed by a citizen of the United States if, at the time of the payment of such remuneration, it is reasonable to believe that such remuneration will be excluded from gross income under section 911; or

(ii) Performed in a foreign country or in a possession of the United States by such a citizen if, at the time of the payment of such remuneration, the employer is required by the law of any foreign country or possession of the United States to withhold income tax upon such remuneration; or

[Sec. 3401 (a) (8) as amended by act of Aug. 9, 1955, 69 Stat. 617, which added "or in a possession of the United States" and "or possession of the United States" to subparagraph (A) (ii). Effective with respect to remuneration paid on or after August 9, 1955.]

§ 31.3401 (a) (8) (A)-1. *Remuneration for services performed outside the United States by citizens of the United*

States—(a) *Remuneration excluded from gross income under section 911*—(1) *Resident of a foreign country.* (i) Remuneration paid for services performed outside the United States for an employer (other than the United States or any agency thereof) by a citizen of the United States does not constitute wages and hence is not subject to withholding, if at the time of payment it is reasonable to believe that such remuneration will be excluded from gross income under the provisions of section 911 (a) (1). The reasonable belief contemplated by the statute may be based upon any evidence reasonably sufficient to induce such belief, even though such evidence may be insufficient upon closer examination by the district director or the courts finally to establish that the remuneration is excludable from gross income under the provisions of section 911 (a) (1).

(ii) If an individual citizen of the United States establishes to the satisfaction of the district director that he has been a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, amounts received by such individual from sources without the United States (except amounts paid by the United States or any agency thereof) are excluded from gross income under the provisions of section 911 (a) (1), provided that such amounts constitute earned income, as defined in section 911 (b), which is attributable to such uninterrupted period. See the Income Tax Regulations (Part 1 of this chapter) under section 911.

(iii) The employer may, in the absence of cause for a reasonable belief to the contrary, presume that remuneration for services performed outside the United States during the taxable year, or applicable portion thereof, will be excluded from gross income under the provisions of section 911 (a) (1) for each taxable year in respect of which the employee properly executes and furnishes in duplicate to the employer a statement in the following form:

Statement for claiming benefits of Section 911 (a) (1) for calendar year _____ or fiscal year beginning _____ and ending _____

(A) My name is _____ My present address is _____ I am employed by _____

(B) My last address in the United States was _____ The internal revenue district in which I filed my last income tax return is _____

(C) I _____ file my income tax return (Do or do not) on the calendar-year basis.

(D) I file my income tax return on the basis of the fiscal year beginning _____ -- 19-- and ending _____ 19--

(E) I am a citizen of the United States.

(F) I have been a bona fide resident of the following foreign country or countries, namely, _____, for an uninterrupted period which began on _____ 19--

(G) I expect to remain a bona fide resident of a foreign country or countries from the date of this statement until the end of the taxable year in respect of which this statement is executed.

(H) On the basis of the facts in my case I have good reason to believe that, with respect to the above period of foreign residence

falling within the taxable year, I will satisfy the bona fide foreign-residence requirement prescribed by section 911 (a) (1) of the Internal Revenue Code of 1954.

(I) I understand that any exemption from withholding of tax permitted by reason of the furnishing of this statement is not a determination by the district director of internal revenue that any remuneration paid to me for any services performed during the taxable year is excludable from gross income under the provisions of section 911 (a) (1).

I declare under the penalties of perjury that this statement has been examined by me and to the best of my knowledge and belief is true and correct.

(Signature of taxpayer)

Date: _____, 19__

(iv) If the employer was entitled to presume for the two consecutive taxable years immediately preceding an employee's current taxable year that such employee's remuneration for services performed outside the United States during such preceding taxable years would be excluded from gross income under the provisions of section 911 (a) (1) (or section 116 (a) (1) of the Internal Revenue Code of 1939), he may, if such employee is residing in a foreign country on the first day of such current taxable year, presume that, in the absence of cause for a reasonable belief to the contrary, the remuneration for services performed outside the United States during such current taxable year will be excluded from gross income under the provisions of section 911 (a) (1) without obtaining from the employee the statement prescribed in subdivision (iii) of this subparagraph.

(2) *Physical presence in a foreign country.* (i) Remuneration paid for services performed outside the United States for an employer (other than the United States or any agency thereof) by a citizen of the United States does not constitute wages and hence is not subject to withholding, if at the time of payment it is reasonable to believe that such remuneration will be excluded from gross income under the provisions of section 911 (a) (2). The reasonable belief contemplated by the statute may be based upon any evidence reasonably sufficient to induce such belief, even though such evidence may be insufficient upon closer examination by the district director or the courts finally to establish that the remuneration is excludable from gross income under the provisions of section 911 (a) (2).

(ii) If an individual citizen of the United States is present in a foreign country or countries during at least 510 full days during any period of 18 consecutive months, amounts received by such individual from sources without the United States (except amounts paid by the United States or any agency thereof) are excluded from gross income under the provisions of section 911 (a) (2), provided that such amounts constitute earned income, as defined in section 911 (b), which is attributable to such period. However, the total amount so excluded from gross income under the provisions of such section may not exceed \$20,000 for each taxable year if the 18-month period includes the entire taxable year.

If the 18-month period does not include the entire taxable year, the amount excluded from gross income under such section for such taxable year may not exceed an amount which bears the same ratio to \$20,000 as the number of days in the part of the taxable year within the 18-month period bears to the total number of days in such year. See the Income Tax Regulations (Part 1 of this chapter) under section 911.

(iii) The employer may, in the absence of cause for a reasonable belief to the contrary, presume that remuneration for services performed outside the United States during the taxable year, or applicable portion thereof, will be excluded from gross income under the provisions of section 911 (a) (2) for each taxable year in respect of which the employee properly executes and furnishes in duplicate to the employer a statement in the form set forth below. The presumption shall not apply after the total payments made during the taxable year of the employee equal \$20,000 or such lesser amount as may be allowable under section 911 (a) (2) on the basis of the facts shown in such statement.

Statement for claiming benefits of Section 911 (a) (2) for calendar year _____ or fiscal year beginning _____ and ending _____:

(A) My name is _____. My present address is _____. I am employed by _____.

(B) My last address in the United States was _____. The internal revenue district in which I filed my last income tax return is _____.

(C) I _____ file my income tax (Do or do not)

return on the calendar-year basis. (D) I file my income tax return on the basis of the fiscal year beginning _____, 19__, and ending _____, 19__.

(E) I am a citizen of the United States.

(F) Except for occasional absences which have not disqualified me for the benefit of section 911 (a) (2) of the Internal Revenue Code of 1954, I have been present in the following foreign country or countries, namely _____, during the period of time which began on _____, 19__.

(G) I expect to be present in a foreign country or countries, except for occasional absences not disqualifying me for the benefit of section 911 (a) (2), from the date of this statement until the end of the taxable year in respect of which this statement is executed, or, if not for such period, from the date of this statement until the following date within such taxable year, namely, _____, 19__.

(H) On the basis of the facts in my case I have good reason to believe that, with respect to the above period of presence in a foreign country or countries falling within the taxable year, I will satisfy the 510 full-day requirement prescribed by section 911 (a) (2).

(I) In the event I become disqualified for the exclusion provided by section 911 (a) (2) in respect of all or part of the above period of presence in a foreign country or countries falling within the taxable year, I will immediately notify my employer, giving sufficient facts to indicate the part, if any, of such period falling within such year in respect of which I am qualified for such exclusion.

(J) I understand that any exemption from withholding of tax permitted by reason of the furnishing of this statement is not a determination by the district director of internal revenue that any remuneration paid

to me for any services performed during the taxable year is excludable from gross income under the provisions of section 911 (a) (2).

I declare under the penalties of perjury that this statement has been examined by me and to the best of my knowledge and belief is true and correct.

(Signature of taxpayer)

Date: _____, 19__

(3) *Disposition of statements for claiming benefits of section 911.* The original of each statement furnished to the employer pursuant to subparagraph (1) (iii) or (2) (iii) of this paragraph shall be transmitted to the district director with the employer's return filed pursuant to the provisions of Subpart G of the regulations in this part for the tax-return period in which such statement is received by the employer. The duplicate copy of each such statement shall be retained by the employer.

(b) *Remuneration subject to withholding of income tax under law of a foreign country or a possession of the United States.* (1) Remuneration paid for services performed in a foreign country or in a possession of the United States for an employer (other than the United States or any agency thereof) by a citizen of the United States does not constitute wages and hence is not subject to withholding, if at the time of the payment of such remuneration the employer is required by the law of any foreign country or of any possession of the United States to withhold income tax upon such remuneration. This paragraph, insofar as it relates to remuneration paid for services performed in a possession of the United States, applies only with respect to remuneration paid on or after August 9, 1955.

(2) Remuneration is not exempt from withholding under this paragraph if the employer is not required by the law of a foreign country or of a possession of the United States to withhold income tax upon such remuneration. Mere agreements between the employer and the employee whereby the estimated income tax of a foreign country or of a possession of the United States is withheld from the remuneration in anticipation of actual liability under the law of such country or possession will not suffice.

(3) The exemption from withholding provided by this paragraph does not apply by reason of withholding of income tax pursuant to the law of a territory of the United States, of a political subdivision of a possession of the United States, or of a political subdivision of a foreign state.

(4) For provisions relating to remuneration for services performed by a permanent resident of the Virgin Islands, see § 31.3401 (a)-1 (b) (12).

(c) This section has no application to the remuneration paid to a citizen of the United States for services performed outside the United States as an employee of the United States or any agency thereof.

§ 31.3401 (a) (8) (B) *Statutory provisions; definitions; wages; remuneration for services performed in possession of the United States (other than Puerto Rico) by citizen of the United States.*

SEC. 3401. Definitions—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(8) (B) For services for an employer (other than the United States or any agency thereof) performed by a citizen of the United States within a possession of the United States (other than Puerto Rico), if it is reasonable to believe that at least 80 percent of the remuneration to be paid to the employee by such employer during the calendar year will be for such services; or

§ 31.3401 (a) (8) (B)—1 *Remuneration for services performed in possession of the United States (other than Puerto Rico) by citizen of the United States.*

(a) Remuneration paid for services for an employer (other than the United States or any agency thereof) performed by a citizen of the United States within a possession of the United States (other than Puerto Rico) does not constitute wages and hence is not subject to withholding, if it is reasonable to believe that at least 80 percent of the remuneration to be paid to the employee by such employer during the calendar year will be for such services. The reasonable belief contemplated by section 3401 (a) (8) (B) may be based upon any evidence reasonably sufficient to induce such belief.

(b) This section has no application to remuneration paid to a citizen of the United States for services performed in any possession of the United States as an employee of the United States or any agency thereof.

(c) For provisions relating to remuneration for services performed by a permanent resident of the Virgin Islands, see § 31.3401 (a)—1 (b) (12).

§ 31.3401 (a) (8) (C) *Statutory provisions; definitions; wages; remuneration for services performed in Puerto Rico by citizen of the United States.*

Sec. 3401. Definitions—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(8) (C) For services for an employer (other than the United States or any agency thereof) performed by a citizen of the United States within Puerto Rico, if it is reasonable to believe that during the entire calendar year the employee will be a bona fide resident of Puerto Rico; or

§ 31.3401 (a) (8) (C)—1 *Remuneration for services performed in Puerto Rico by citizen of the United States.*

(a) Remuneration paid for services performed within Puerto Rico for an employer (other than the United States or any agency thereof) by a citizen of the United States does not constitute wages and hence is not subject to withholding, if it is reasonable to believe that during the entire calendar year the employee will be a bona fide resident of Puerto Rico. The reasonable belief contemplated by section 3401 (a) (8) (C) may be based upon any evidence reasonably sufficient to induce such belief.

(b) The employer may, in the absence of cause for a reasonable belief to the

contrary, presume that an employee will be a bona fide resident of Puerto Rico during the entire calendar year—

(1) Unless the employee is known by the employer to have maintained his abode at a place outside Puerto Rico at some time during the current or the preceding calendar year; or

(2) In any case where the employee files with the employer a statement (containing a declaration under the penalties of perjury that such statement is true to the best of the employee's knowledge and belief) that such employee has at all times during the current calendar year been a bona fide resident of Puerto Rico and that he intends to remain a bona fide resident of Puerto Rico during the entire remaining portion of such current calendar year.

(c) This section has no application to remuneration paid to a citizen of the United States for services performed in Puerto Rico as an employee of the United States or any agency thereof.

§ 31.3401 (a) (9) *Statutory provisions; definitions; wages; remuneration for services performed by a minister of a church or a member of a religious order.*

Sec. 3401. Definitions—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * except that such term shall not include remuneration paid—

(9) For services performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

§ 31.3401 (a) (9)—1 *Remuneration for services performed by a minister of a church or a member of a religious order—*

(a) *In general.* Remuneration paid for services performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry, or by a member of a religious order in the exercise of duties required by such order, is excepted from wages and hence is not subject to withholding.

(b) *Service by a minister in the exercise of his ministry.* Except as provided in paragraph (c) (3) of this section, service performed by a minister in the exercise of his ministry includes the ministration of sacerdotal functions and the conduct of religious worship, and the control, conduct, and maintenance of religious organizations (including the religious boards, societies, and other integral agencies of such organizations), under the authority of a religious body constituting a church or church denomination. The following rules are applicable in determining whether services performed by a minister are performed in the exercise of his ministry:

(1) Whether service performed by a minister constitutes the conduct of religious worship or the ministration of sacerdotal functions depends on the tenets and practices of the particular religious body constituting his church or church denomination.

(2) Service performed by a minister in the control, conduct, and maintenance of a religious organization relates to directing, managing, or promoting the ac-

tivities of such organization. Any religious organization is deemed to be under the authority of a religious body constituting a church or church denomination if it is organized and dedicated to carrying out the tenets and principles of a faith in accordance with either the requirements or sanctions governing the creation of institutions of the faith. The term "religious organization" has the same meaning and application as is given to the term for income tax purposes.

(3) (i) If a minister is performing service in the conduct of religious worship or the ministration of sacerdotal functions, such service is in the exercise of his ministry whether or not it is performed for a religious organization.

(ii) The rule in subdivision (i) of this subparagraph may be illustrated by the following example:

Example. M, a duly ordained minister, is engaged to perform service as chaplain at N University. M devotes his entire time to performing his duties as chaplain which include the conduct of religious worship, offering spiritual counsel to the university students, and teaching a class in religion. M is performing service in the exercise of his ministry.

(4) (i) If a minister is performing service for an organization which is operated as an integral agency of a religious organization under the authority of a religious body constituting a church or church denomination, all service performed by the minister in the conduct of religious worship, in the ministration of sacerdotal functions, or in the control, conduct, and maintenance of such organization (see subparagraph (2) of this paragraph) is in the exercise of his ministry.

(ii) The rule in subdivision (i) of this subparagraph may be illustrated by the following example:

Example. M, a duly ordained minister, is engaged by the N Religious Board to serve as director of one of its departments. He performs no other service. The N Religious Board is an integral agency of O, a religious organization operating under the authority of a religious body constituting a church denomination. M is performing service in the exercise of his ministry.

(5) (i) If a minister, pursuant to an assignment or designation by a religious body constituting his church, performs service for an organization which is neither a religious organization nor operated as an integral agency of a religious organization, all service performed by him, even though such service may not involve the conduct of religious worship or the ministration of sacerdotal functions, is in the exercise of his ministry.

(ii) The rule in subdivision (i) of this subparagraph may be illustrated by the following example:

Example. M, a duly ordained minister, is assigned by X, the religious body constituting his church, to perform advisory service to Y Company in connection with the publication of a book dealing with the history of M's church denomination. Y is neither a religious organization nor operated as an integral agency of a religious organization. M performs no other service for X or Y. M is performing service in the exercise of his ministry.

(c) *Service by a minister not in the exercise of his ministry.* (1) Section 3401 (a) (9) does not except from wages remuneration for service performed by a duly ordained, commissioned, or licensed minister of a church which is not in the exercise of his ministry.

(2) (i) If a minister is performing service for an organization which is neither a religious organization nor operated as an integral agency of a religious organization and the service is not performed pursuant to an assignment or designation by his ecclesiastical superiors, then only the service performed by him in the conduct of religious worship or the ministration of sacerdotal functions is in the exercise of his ministry. See, however, subparagraph (3) of this paragraph.

(ii) The rule in subdivision (i) of this subparagraph may be illustrated by the following example:

Example. M, a duly ordained minister, is engaged by N University to teach history and mathematics. He performs no other service for N although from time to time he performs marriages and conducts funerals for relatives and friends. N University is neither a religious organization nor operated as an integral agency of a religious organization. M is not performing the service for N pursuant to an assignment or designation by his ecclesiastical superiors. The service performed by M for N University is not in the exercise of his ministry. However, service performed by M in performing marriages and conducting funerals is in the exercise of his ministry.

(3) Service performed by a duly ordained, commissioned, or licensed minister of a church as an employee of the United States, or a State, Territory, or possession of the United States, or the District of Columbia, or a foreign government, or a political subdivision of any of the foregoing, is not considered to be in the exercise of his ministry for purposes of the collection of income tax at source on wages, even though such service may involve the ministration of sacerdotal functions or the conduct of religious worship. Thus, for example, service performed by an individual as a chaplain in the Armed Forces of the United States is considered to be performed by a commissioned officer in his capacity as such, and not by a minister in the exercise of his ministry. Similarly, service performed by an employee of a State as a chaplain in a State prison is considered to be performed by a civil servant of the State and not by a minister in the exercise of his ministry.

(d) *Service in the exercise of duties required by a religious order.* Service performed by a member of a religious order in the exercise of duties required by such order includes all duties required of the member by the order. The nature or extent of such service is immaterial so long as it is a service which he is directed or required to perform by his ecclesiastical superiors.

§ 31.3401 (a) (10) *Statutory provisions; definitions; wages; remuneration for services in the delivery or distribution of newspapers, shopping news, or magazines.*

Sec. 3401. *Definitions.*—(a) *Wages.* For purposes of this chapter, the term "wages"

means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(10) (A) For services performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution; or

(B) For services performed by an individual in, and at the time of, the sale of newspapers or magazines to ultimate consumers, under an arrangement under which the newspapers or magazines are to be sold by him at a fixed price, his compensation being based on the retention of the excess of such price over the amount at which the newspapers or magazines are charged to him, whether or not he is guaranteed a minimum amount of compensation for such services, or is entitled to be credited with the unsold newspapers or magazines turned back; or

§ 31.3401 (a) (10)–1 *Remuneration for services in delivery or distribution of newspapers, shopping news, or magazines.*—(a) *Services of individuals under age 18.* Remuneration for services performed by an employee under the age of 18 in the delivery or distribution of newspapers, or shopping news, not including delivery or distribution (as, for example, by a regional distributor) to any point for subsequent delivery or distribution, is excepted from wages and hence is not subject to withholding. Thus, remuneration for services performed by an employee under the age of 18 in making house-to-house delivery or sale of newspapers or shopping news, including handbills and other similar types of advertising material, is excepted from wages. The remuneration is excepted irrespective of the form or method thereof. Remuneration for incidental services by the employee who makes the house-to-house delivery, such as services in assembling newspapers, is considered to be within the exception. The exception continues only during the time that the employee is under the age of 18.

(b) *Services of individuals of any age.* Remuneration for services performed by an employee in, and at the time of, the sale of newspapers or magazines to ultimate consumers under an arrangement under which the newspapers or magazines are to be sold by him at a fixed price, his remuneration being based on the retention of the excess of such price over the amount at which the newspapers or magazines are charged to him, is excepted from wages and hence is not subject to withholding. The remuneration is expected whether or not the employee is guaranteed a minimum amount of remuneration, or is entitled to be credited with the unsold newspapers or magazines turned back. Moreover, the remuneration is excepted without regard to the age of the employee. Remuneration for services performed other than at the time of sale to the ultimate consumer is not within the exception. Thus, remuneration for services of a regional distributor which are antecedent to but not immediately part of the sale to the ultimate consumer is not within the exception. However, remuneration for incidental services by the employee who makes the sale to the

ultimate consumer, such as services in assembling newspapers or in taking newspapers or magazines to the place of sale, is considered to be within the exception.

§ 31.3401 (a) (11) *Statutory provisions; definitions; wages; remuneration other than in cash for services not in the course of employer's trade or business.*

Sec. 3401. *Definition.*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(11) For services in the course of the employer's trade or business, to the extent paid in any medium other than cash; or

§ 31.3401 (a) (11)–1 *Remuneration other than in cash for service not in the course of employer's trade or business.* (a) Remuneration paid in any medium other than cash for services not in the course of the employer's trade or business is excepted from wages and hence is not subject to withholding. Cash remuneration includes checks and other monetary media of exchange. Remuneration paid in any medium other than cash, such as lodging, food, or other goods or commodities, for services not in the course of the employer's trade or business does not constitute wages. Remuneration paid in any medium other than cash for other types of services does not come within this exception from wages. For provisions relating to cash remuneration for service not in the course of employer's trade or business, see § 31.3401 (a) (4)–1.

(b) As used in this section, the term "services not in the course of the employer's trade or business" has the same meaning as when used in § 31.3401 (a) (4)–1.

§ 31.3401 (a) (12) *Statutory provisions; definitions; wages; payments from or to certain tax-exempt trusts or under or to certain annuity plans.*

Sec. 3401. *Definitions.*—(a) *Wages.* For purposes of this chapter, the term "wages" means all remuneration * * * for services performed by an employee for his employer * * * ; except that such term shall not include remuneration paid—

(12) To, or on behalf of, an employee or his beneficiary—

(A) From or to a trust described in section 401 (a) which is exempt from tax under section 501 (a) at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust; or

(B) Under or to an annuity plan which, at the time of such payment, meets the requirements of section 401 (a) (3), (4), (5), and (6).

§ 31.3401 (a) (12)–1 *Payments from or to certain tax-exempt trusts or under or to certain annuity plans.* The term "wages" does not include—

(a) Any payment made by an employer, on behalf of an employee or his beneficiary, into a trust or annuity plan, if at the time of such payment the trust is exempt from tax under section 501 (a) as an organization described in section 401 (a) or the annuity plan meets the

requirements of section 401 (a) (3), (4), (5), and (6); or

(b) Any payment made to, or on behalf of, an employee or his beneficiary from a trust or under an annuity plan, if at the time of such payment the trust is exempt from tax under section 501 (a) as an organization described in section 401 (a) or the annuity plan meets the requirements of section 401 (a) (3), (4), (5), and (6).

A payment made to an employee of a trust described in section 401 (a) which is exempt from tax under section 501 (a) for services rendered as an employee of such trust and not as a beneficiary of the trust is not within this exception from wages.

§ 31.3401 (b) *Statutory provisions; definitions; payroll period.*

Sec. 3401. Definitions. . . .

(b) *Payroll period.* For purposes of this chapter, the term "payroll period" means a period for which a payment of wages is ordinarily made to the employee by his employer, and the term "miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semi-monthly, monthly, quarterly, semiannual, or annual payroll period.

§ 31.3401 (b)-1 *Payroll period.* (a) The term "payroll period" means the period of service for which a payment of wages is ordinarily made to an employee by his employer. It is immaterial that the wages are not always paid at regular intervals. For example, if an employer ordinarily pays a particular employee for each calendar week at the end of the week, but if for some reason the employee in a given week receives a payment in the middle of the week for the portion of the week already elapsed and receives the remainder at the end of the week, the payroll period is still the calendar week; or if, instead, that employee is sent on a 3-week trip by his employer and receives at the end of the trip a single wage payment for three weeks' services, the payroll period is still the calendar week, and the wage payment shall be treated as though it were three separate weekly wage payments.

(b) For the purpose of section 3402, an employee can have but one payroll period with respect to wages paid by any one employer. Thus, if an employee is paid a regular wage for a weekly payroll period and in addition thereto is paid supplemental wages (for example, bonuses) determined with respect to a different period, the payroll period is the weekly payroll period. For computation of tax on supplemental wage payments, see § 31.3402 (g)-1.

(c) The term "miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semi-monthly, monthly, quarterly, semiannual, or annual payroll period.

§ 31.3401 (c) *Statutory provisions; definitions; employee.*

Sec. 3401. Definitions. . . .

(c) *Employee.* For purposes of this chapter, the term "employee" includes an officer, employee, or elected official of the United

States, a State, Territory, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing. The term "employee" also includes an officer of a corporation.

§ 31.3401 (c)-1 *Employee.* (a) The term "employee" includes every individual performing services if the relationship between him and the person for whom he performs such services is the legal relationship of employer and employee. The term includes officers and employees, whether elected or appointed, of the United States, a State, Territory, Puerto Rico, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.

(b) Generally the relationship of employer and employee exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work but also as to the details and means by which that result is accomplished. That is, an employee is subject to the will and control of the employer not only as to what shall be done but how it shall be done. In this connection, it is not necessary that the employer actually direct or control the manner in which the services are performed; it is sufficient if he has the right to do so. The right to discharge is also an important factor indicating that the person possessing that right is an employer. Other factors characteristic of an employer, but not necessarily present in every case, are the furnishing of tools and the furnishing of a place to work to the individual who performs the services. In general, if an individual is subject to the control or direction of another merely as to the result to be accomplished by the work and not as to the means and methods for accomplishing the result, he is not an employee.

(c) Generally, physicians, lawyers, dentists, veterinarians, contractors, subcontractors, public stenographers, auctioneers, and others who follow an independent trade, business, or profession, in which they offer their services to the public, are not employees.

(d) Whether the relationship of employer and employee exists will in doubtful cases be determined upon an examination of the particular facts of each case.

(e) If the relationship of employer and employee exists, the designation or description of the relationship by the parties as anything other than that of employer and employee is immaterial. Thus, if such relationship exists, it is of no consequence that the employee is designated as a partner, coadventurer, agent, independent contractor, or the like.

(f) All classes or grades of employees are included within the relationship of employer and employee. Thus, superintendents, managers, and other supervisory personnel are employees. Generally, an officer of a corporation is an employee of the corporation. However, an officer of a corporation who as such does not perform any services or performs only minor services and who

neither receives nor is entitled to receive, directly or indirectly, any remuneration is not considered to be an employee of the corporation. A director of a corporation in his capacity as such is not an employee of the corporation.

(g) Although an individual may be an employee under this section, his services may be of such a nature, or performed under such circumstances, that the remuneration paid for such services does not constitute wages within the meaning of section 3401 (a).

§ 31.3401 (d) *Statutory provisions; definitions; employer.*

Sec. 3401. Definitions. . . .

(d) *Employer.* For purposes of this chapter, the term "employer" means the person for whom an individual performs or performed any service, of whatever nature, as the employee of such person, except that—

(1) If the person for whom the individual performs or performed the services does not have control of the payment of the wages for such services, the term "employer" (except for purposes of subsection (a)) means the person having control of the payment of such wages, and

(2) In the case of a person paying wages on behalf of a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, the term "employer" (except for purposes of subsection (a)) means such person.

§ 31.3401 (d)-1 *Employer.* (a) The term "employer" means any person for whom an individual performs or performed any service, of whatever nature, as the employee of such person.

(b) It is not necessary that the services be continuing at the time the wages are paid in order that the status of employer exist. Thus, for purposes of withholding, a person for whom an individual has performed past services for which he is still receiving wages from such person is an "employer."

(c) An employer may be an individual, a corporation, a partnership, a trust, an estate, a joint-stock company, an association, or a syndicate, group, pool, joint venture, or other unincorporated organization, group or entity. A trust or estate, rather than the fiduciary acting for or on behalf of the trust or estate, is generally the employer.

(d) The term "employer" embraces not only individuals and organizations engaged in trade or business, but organizations exempt from income tax, such as religious and charitable organizations, educational institutions, clubs, social organizations and societies, as well as the governments of the United States, the States, Territories, Puerto Rico, and the District of Columbia, including their agencies, instrumentalities, and political subdivisions.

(e) The term "employer" also means (except for the purpose of the definition of "wages") any person paying wages on behalf of a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States (including Puerto Rico as if a part of the United States).

(f) If the person for whom the services are or were performed does not have

legal control of the payment of the wages for such services, the term "employer" means (except for the purpose of the definition of "wages") the person having such control. For example, where wages, such as certain types of pensions or retired pay, are paid by a trust and the person for whom the services were performed has no legal control over the payment of such wages, the trust is the "employer."

(g) It is a basic purpose to centralize in the employer the responsibility for withholding, returning, and paying the tax, and for furnishing the statements required under section 6051 (see Subpart G of the regulations in this part). The two special definitions of the term "employer" in paragraphs (e) and (f) of this section are designed solely to meet unusual situations. They are not intended as a departure from the basic purpose.

§ 31.3401 (e) *Statutory provisions; definitions; number of withholding exemptions claimed.*

SEC. 3401. Definitions. * * *

(e) Number of withholding exemptions claimed. For purposes of this chapter, the term "number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under section 3402 (f), or in effect under the corresponding section of prior law, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero.

§ 31.3401 (e)-1 *Number of withholding exemptions claimed.* (a) The term "number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under section 3402 (f) or in effect under section 1622 (h) of the Internal Revenue Code of 1939. If no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero. The number of withholding exemptions claimed must be taken into account in determining the amount of tax to be deducted and withheld under section 3402, whether the employer computes the tax in accordance with the provisions of subsection (a) or subsection (c) of section 3402.

(b) The employer is not required to ascertain whether or not the number of withholding exemptions claimed is greater than the number of withholding exemptions to which the employee is entitled. If, however, the employer has reason to believe that the number of withholding exemptions claimed by an employee is greater than the number to which such employee is entitled, the district director should be so advised.

(c) As to the number of withholding exemptions to which an employee is entitled, see § 31.3402 (f) (1)-1.

§ 31.3402 (a) *Statutory provisions; income tax collected at source; requirement of withholding.*

SEC. 3402. Income tax collected at source—
(a) Requirement of withholding. Every employer making payment of wages shall deduct and withhold upon such wages (except as provided in subsection (j)) a tax equal to 18 percent of the amount by which the

wages exceed the number of withholding exemptions claimed, multiplied by the amount of one such exemption as shown in subsection (b) (1).

[Sec. 3402 (a) as amended by Act of Aug. 9, 1955, 69 Stat. 605, which added "(except as provided in subsection (j))". Effective only with respect to remuneration paid after August 9, 1955.]

§ 31.3402 (a)-1 *Requirement of withholding.* (a) Section 3402 provides alternative methods, at the election of the employer, for use in computing the income tax to be collected at source on wages. Under the percentage method of withholding (see § 31.3402 (b)-1), the employer is required to deduct and withhold a tax computed in accordance with the provisions of section 3402 (a). Under the wage bracket method of withholding (see § 31.3402 (c)-1), the employer is required to deduct and withhold a tax determined in accordance with the tables provided in section 3402 (c). The employer may elect to use the percentage method in the case of one group of employees and the wage bracket method in the case of another group of employees.

(b) The employer is required to collect the tax by deducting and withholding the amount thereof from the employee's wages as and when paid, either actually or constructively. Wages are constructively paid when they are credited to the account of or set apart for an employee so that they may be drawn upon by him at any time although not then actually reduced to possession. To constitute payment in such a case, the wages must be credited to or set apart for the employee without any substantial limitation or restriction as to the time or manner of payment or condition upon which payment is to be made, and must be made available to him so that they may be drawn upon at any time, and their payment brought within his own control and disposition.

(c) Except as provided in section 3402 (j) (see § 31.3402 (j)-1, relating to non-cash remuneration paid to retail commission salesmen), an employer is required to deduct and withhold the tax notwithstanding the wages are paid in something paid in stocks or bonds; see § 31.3401 other than money (for example, wages (a)-1) and to pay over the tax in money. If wages are paid in property other than money, the employer should make necessary arrangements to insure that the amount of the tax required to be withheld is available for payment in money.

(d) For provisions relating to the circumstances under which tax is not required to be deducted and withheld from certain wage payments, see § 31.3401 (a)-1 (b) (8) relating to amounts paid under wage continuation plans.

(e) As a matter of business administration, certain of the mechanical details of the withholding process may be handled by representatives of the employer. Thus, in the case of an employer having branch offices, the branch manager or other representative may actually, as a matter of internal administration, withhold the tax or prepare the statements required under section 6051. Nevertheless, the legal responsibility for

withholding, paying, and returning the tax and furnishing such statements rests with the employer. For provisions relating to statements under section 6051, see the regulations under such section in Subpart G of this part.

(f) The amount of any tax withheld and collected by the employer is a special fund in trust for the United States. See section 7501.

§ 31.3402 (b) *Statutory provisions; income tax collected at source; percentage method of withholding.*

SEC. 3402. Income tax collected at source.
* * * (b) Percentage method of withholding. (1) The table referred to in subsection (a) is as follows:

PERCENTAGE METHOD WITHHOLDING TABLE	
Payroll period:	Amount of one withholding exemption
Weekly	\$13.00
Biweekly	26.00
Semi-monthly	26.00
Monthly	56.00
Quarterly	167.00
Semi-annual	333.00
Annual	667.00
Daily or miscellaneous (per day of such period)	1.80

(2) If wages are paid with respect to a period which is not a payroll period, the withholding exemption allowable with respect to each payment of such wages shall be the exemption allowed for a miscellaneous payroll period containing a number of days (including Sundays and holidays) equal to the number of days in the period with respect to which such wages are paid.

(3) In any case in which wages are paid by an employer without regard to any payroll period or other period, the withholding exemption allowable with respect to each payment of such wages shall be the exemption allowed for a miscellaneous payroll period containing a number of days equal to the number of days (including Sundays and holidays) which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

(4) In any case in which the period, or the time described in paragraph (3), in respect of any wages is less than one week, the Secretary or his delegate, under regulations prescribed by him, may authorize an employer, in computing the tax required to be deducted and withheld, to use the excess of the aggregate of the wages paid to the employee during the calendar week over the withholding exemption allowed by this subsection for a weekly payroll period.

(5) In determining the amount to be deducted and withheld under this subsection, the wages may, at the election of the employer, be computed to the nearest dollar.

§ 31.3402 (b)-1 *Percentage method of withholding—(a) In general.* (1) The percentage method of computing the amount of tax to be withheld makes use of the percentage method withholding table contained in section 3402 (b) (1). This table shows with respect to each of the designated payroll periods the amount allowable for one withholding exemption. The amount of the withholding exemption allowable with respect to a particular payroll period depends upon the number of withholding exemptions claimed. The term "payroll period" is defined in section 3401 (b)

(see § 31.3401 (b)-1). The term "number of withholding exemptions claimed" is defined in section 3401 (e) (see § 31.3401 (e)-1).

(2) The steps in computing the tax under the percentage method of withholding are summarized as follows:

Step 1. Determine the amount of one withholding exemption for the particular payroll period from the percentage method withholding table.

Step 2. Multiply the amount determined in Step 1 by the number of exemptions claimed by the employee.

Step 3. Subtract the amount determined in Step 2 from the employee's wages.

Step 4. Multiply the difference by the applicable percentage figure under section 3402 (a) (see § 31.3402 (a)).

The result is the amount of tax to be withheld.

Example. During a period in which the rate under the percentage method of withholding is 18 percent, an employee has a weekly payroll period, for which he is paid \$75, and has in effect a withholding exemption certificate claiming three withholding exemptions. His employer, using the percentage method, computes the tax to be withheld as follows:

Step 1:	
Amount of one withholding exemption	\$13.00
Step 2:	
Multiplied by number of exemptions claimed on Form W-4	× 3
Total withholding exemption	39.00
Step 3:	
Total wage payment	75.00
Less amount determined in Step 2	39.00
Balance subject to tax	36.00
Step 4:	
Tax to be withheld (balance multiplied by 0.18)	6.48

(3) For provisions relating to the treatment of wages paid under wage continuation plans and wages paid other than in cash to retail commission salesmen, see §§ 31.3401 (a)-1 (b) (8) and 31.3402 (j)-1, respectively.

(b) *Established payroll periods, other than daily or miscellaneous, as shown in percentage method withholding table.* The amount of one withholding exemption, allowable with respect to each of the established payroll periods contained in the percentage method withholding table, is determined by reference to the line applicable to such payroll period and without reference to the time the employee is actually engaged in the performance of services during such payroll period.

Example (1). During 1955 employee C has a semimonthly payroll period. The number of withholding exemptions claimed by C is two. C's wages are determined at the rate of \$1.20 per hour. During a certain payroll period he works only 40 hours and earns \$48. Although C worked only 40 hours during the semimonthly payroll period, the applicable withholding exemption is \$28, and the amount of two withholding exemptions, or \$56, is allowable. Since the amount of the wages paid for the semimonthly payroll period is less than the amount allowed for two withholding exemptions for such period, the employer is not required to withhold any tax.

Example (2). During 1955 employee D has a weekly payroll period. The number of withholding exemptions claimed by D is

two. D's wages are determined at the rate of \$1.20 per hour. During a certain payroll period D works 30 hours and earns \$36. Although D worked only 30 hours during the weekly payroll period, the applicable withholding exemption is \$13, and the amount of two withholding exemptions, or \$26, is allowable. The balance of \$10 is subject to withholding.

(c) *Periods to which the daily or miscellaneous withholding exemption is applicable—(1) In general.* The percentage method withholding table shows for a daily or miscellaneous payroll period the amount of one withholding exemption allowable with respect to one day. For the purpose of determining the amount of tax to be withheld with respect to wages paid for a particular miscellaneous payroll period (see § 31.3401 (b)-1 (c)), the amount of one withholding exemption shown in the table for one day of such period and the wages paid for the period must be placed on a comparable basis. The amount of tax to be withheld may be determined by either of the following methods:

(i) Under the first method the following steps are taken:

Step 1. Multiply the amount shown in the percentage method withholding table as applicable per day of a miscellaneous payroll period by the number of days (including Sundays and holidays) in such period.

Step 2. Multiply the amount determined in Step 1 by the number of withholding exemptions claimed by the employee.

Step 3. Subtract the amount determined in Step 2 from the employee's wages.

Step 4. Multiply the difference by the applicable percentage figure under section 3402 (a) (see § 31.3402 (a)).

(ii) Under the second method the following steps are taken:

Step 1. Divide the wages paid to the employee for the period by the number of days (including Sundays and holidays) in the period.

Step 2. Multiply the amount shown in the percentage method withholding table as applicable per day of a miscellaneous payroll period by the number of withholding exemptions claimed by the employee.

Step 3. Subtract the amount determined in Step 2 from the amount determined in Step 1.

Step 4. Multiply the difference by the applicable percentage figure under section 3402 (a) (see § 31.3402 (a)).

Step 5. Multiply the amount determined in Step 4 by the number of days (including Sundays and holidays) in the period.

(2) *Period not a payroll period.* If wages are paid for a period which is not a payroll period, the withholding exemption allowable with respect to each payment of such wages shall be the exemption allowable for a miscellaneous payroll period containing a number of days (including Sundays and holidays) equal to the number of days (including Sundays and holidays) in the period with respect to which such wages are paid.

Example. During 1955 an individual is hired by a contractor to perform services in connection with a building project. The number of withholding exemptions claimed by such individual is two. Wages are fixed at the rate of \$9 per day, to be paid upon completion of the project. The project is completed during 1955 in 12 consecutive days, at the end of which period the individual is paid wages of \$90 for 10 days' serv-

ices performed during the period. For the purpose of computing the tax amount of the withholding exemption allowable for the 12-day period is \$43.20 ($12 \times (2 \times \$1.80)$). Tax is required to be withheld with respect to \$46.80 (\$90 minus \$43.20).

(3) *Wages paid without regard to any period.* In the case of wages paid to an employee without regard to any particular period, as, for example, commissions paid to a salesman upon completion of a sale, the withholding exemption is measured by the number of days (including Sundays and holidays) which have elapsed, beginning with the latest of the following days:

(i) The first day after the last payment of wages to such employee by such employer in the calendar year, or

(ii) The date on which such individual's employment with such employer began in the calendar year, or

(iii) January 1 of such calendar year, and ending with (and including) the date on which such wages are paid.

Example. On April 2, 1955, A is employed by the X Real Estate Co. to sell real estate on a commission basis, commissions to be paid only upon consummation of sales. The number of withholding exemptions claimed by A is one. On May 21, 1955, A receives a commission of \$300. Again, on June 16, 1955, A receives a commission of \$400. The amount of the withholding exemption with respect to the commission paid on May 21 is \$90 (1.80×50). With respect to the commission paid on June 16, the amount of the withholding exemption is \$46.80 (1.80×26).

(d) *Period or elapsed time less than one week.* (1) It is the general rule that if wages are paid for a payroll period or other period of less than one week, the withholding exemption allowable shall be the exemption allowable for a daily payroll period, or a miscellaneous payroll period containing the same number of days (including Sundays and holidays) as the payroll period or other period for which such wages are paid. The same rule is applicable in the case of wages paid without regard to a payroll period or other period, where the elapsed time as determined in accordance with the rule prescribed in paragraph (c) of this section is less than 1 week.

Example (1). During 1955 an employee having a daily payroll period is paid wages of \$12 per day. The number of withholding exemptions claimed by such employee is one. The amount of each such daily wage payment subject to withholding is \$10.20 ($12.00 - 1.80$).

Example (2). During 1955 an employee works for a certain employer on four consecutive days, for which he is paid wages of \$36. The number of withholding exemptions claimed by the employee is two. The amount of the withholding exemption allowable is \$14.40 ($4 \times \$3.60$).

(2) Under certain conditions, if the payroll period, other period, or elapsed time where wages are paid without regard to any period, is less than one week, the employer may, at his election, compute the tax to be withheld as if the aggregate of the wages paid to the employee during the calendar week were paid for a weekly payroll period. Such election may be made by the employer only if he is the only employer for whom the employee works for wages during the calendar week. Any employer electing to

PROPOSED RULE MAKING

compute the tax upon the excess of the wages paid during the calendar week over the weekly exemption must secure a statement in writing from the employee, stating that he works for wages for such employer only, and that if he should thereafter secure additional employment for wages, he will within 10 days after the beginning of such additional employment, notify such employer of that fact. Such statement shall be signed by the employee and shall contain or be verified by a written declaration that it is made under the penalties of perjury. No particular form is prescribed for the statement.

Example. During 1955 an employee works for a certain employer on four consecutive days, for which he is paid wages of \$36. The number of withholding exemptions claimed by the employee is two. The employer elects to use the weekly withholding exemption after securing the proper statement from the employee. In such case, the amount of the withholding exemption allowable is \$26 ($2 \times \$13$).

(3) If such employee secures additional employment for wages, the daily or miscellaneous exemption will take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the thirtieth day following the date on which such employee notifies such employer that he has secured additional employment for wages. After the daily or miscellaneous exemption takes effect the employer may not thereafter use the weekly exemption in computing the amount of tax to be withheld from the wages of such employee.

(4) As used in this paragraph the term "calendar week" means a period of 7 consecutive days beginning with Sunday and ending with Saturday.

(e) *Rounding off of wage payment.* In determining the amount to be deducted and withheld under the percentage method, the last digit of the wage amount may, at the election of the employer, be reduced to zero, or the wage amount may, at the election of the employer, be computed to the nearest dollar. For the purpose of the computation to the nearest dollar, the payment of a fractional part of a dollar shall be disregarded unless it amounts to one-half dollar or more, in which case it shall be increased to \$1.00. Thus, if the weekly wage is \$45.37, the employer may, in determining the amount of tax to be deducted and withheld, determine the tax on the basis of a wage payment of \$45.30 or on the basis of a wage payment of \$45. If the weekly wage is \$45.50, the employer may determine the tax to be deducted and withheld on the basis of a wage payment of \$46.

§ 31.3402 (c) *Statutory provisions; income tax collected at source; wage bracket withholding.*

SEC. 3402. *Income tax collected at source.*
* * * (c) *Wage bracket withholding.* (1) At the election of the employer with respect

to any employee, the employer shall deduct and withhold upon the wages paid to such employee a tax determined in accordance

with the following tables, which shall be in lieu of the tax required to be deducted and withheld under subsection (a):

If the payroll period with respect to an employee is weekly—

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$0	\$13	18% of wages \$2.40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$13	\$14	.10	0	0	0	0	0	0	0	0	0	0
\$14	\$15	.30	0	0	0	0	0	0	0	0	0	0
\$15	\$16	.50	0	0	0	0	0	0	0	0	0	0
\$16	\$17	.70	0	0	0	0	0	0	0	0	0	0
\$17	\$18	.90	0	0	0	0	0	0	0	0	0	0
\$18	\$19	1.00	0	0	0	0	0	0	0	0	0	0
\$19	\$20	1.20	0	0	0	0	0	0	0	0	0	0
\$20	\$21	1.40	0	0	0	0	0	0	0	0	0	0
\$21	\$22	1.60	0	0	0	0	0	0	0	0	0	0
\$22	\$23	1.70	0	0	0	0	0	0	0	0	0	0
\$23	\$24	1.90	0	0	0	0	0	0	0	0	0	0
\$24	\$25	2.10	0	0	0	0	0	0	0	0	0	0
\$25	\$26	2.30	0	0	0	0	0	0	0	0	0	0
\$26	\$27	2.50	.20	0	0	0	0	0	0	0	0	0
\$27	\$28	2.60	.30	0	0	0	0	0	0	0	0	0
\$28	\$29	2.80	.50	0	0	0	0	0	0	0	0	0
\$29	\$30	3.00	.70	0	0	0	0	0	0	0	0	0
\$30	\$31	3.20	.90	0	0	0	0	0	0	0	0	0
\$31	\$32	3.40	1.10	0	0	0	0	0	0	0	0	0
\$32	\$33	3.60	1.20	0	0	0	0	0	0	0	0	0
\$33	\$34	3.70	1.40	0	0	0	0	0	0	0	0	0
\$34	\$35	3.90	1.60	0	0	0	0	0	0	0	0	0
\$35	\$36	4.10	1.80	0	0	0	0	0	0	0	0	0
\$36	\$37	4.30	2.00	0	0	0	0	0	0	0	0	0
\$37	\$38	4.40	2.10	0	0	0	0	0	0	0	0	0
\$38	\$39	4.60	2.30	0	0	0	0	0	0	0	0	0
\$39	\$40	4.80	2.50	.20	0	0	0	0	0	0	0	0
\$40	\$41	5.00	2.70	.40	0	0	0	0	0	0	0	0
\$41	\$42	5.20	2.90	.50	0	0	0	0	0	0	0	0
\$42	\$43	5.30	3.00	.70	0	0	0	0	0	0	0	0
\$43	\$44	5.50	3.20	.90	0	0	0	0	0	0	0	0
\$44	\$45	5.70	3.40	1.10	0	0	0	0	0	0	0	0
\$45	\$46	5.90	3.60	1.30	0	0	0	0	0	0	0	0
\$46	\$47	6.10	3.80	1.40	0	0	0	0	0	0	0	0
\$47	\$48	6.20	3.90	1.60	0	0	0	0	0	0	0	0
\$48	\$49	6.40	4.10	1.80	0	0	0	0	0	0	0	0
\$49	\$50	6.60	4.30	2.00	0	0	0	0	0	0	0	0
\$50	\$51	6.80	4.50	2.20	0	0	0	0	0	0	0	0
\$51	\$52	7.00	4.70	2.30	0	0	0	0	0	0	0	0
\$52	\$53	7.10	4.80	2.50	.20	0	0	0	0	0	0	0
\$53	\$54	7.30	5.00	2.70	.40	0	0	0	0	0	0	0
\$54	\$55	7.50	5.20	2.90	.60	0	0	0	0	0	0	0
\$55	\$56	7.70	5.40	3.10	.80	0	0	0	0	0	0	0
\$56	\$57	7.90	5.60	3.20	.90	0	0	0	0	0	0	0
\$57	\$58	8.00	5.70	3.40	1.10	0	0	0	0	0	0	0
\$58	\$59	8.20	5.90	3.60	1.30	0	0	0	0	0	0	0
\$59	\$60	8.40	6.10	3.80	1.50	0	0	0	0	0	0	0
\$60	\$61	8.70	6.40	4.10	1.70	0	0	0	0	0	0	0
\$61	\$62	9.00	6.70	4.40	2.10	0	0	0	0	0	0	0
\$62	\$63	9.40	7.10	4.80	2.50	.20	0	0	0	0	0	0
\$63	\$64	9.80	7.40	5.10	2.80	.50	0	0	0	0	0	0
\$64	\$65	10.20	7.80	5.50	3.20	.90	0	0	0	0	0	0
\$65	\$66	10.60	8.20	5.90	3.50	1.20	0	0	0	0	0	0
\$66	\$67	11.00	8.60	6.30	3.90	1.60	0	0	0	0	0	0
\$67	\$68	11.40	9.00	6.70	4.30	2.00	0	0	0	0	0	0
\$68	\$69	11.80	9.40	7.10	4.70	2.40	0	0	0	0	0	0
\$69	\$70	12.20	9.80	7.40	5.10	2.80	.50	0	0	0	0	0
\$70	\$71	12.60	10.20	7.80	5.50	3.20	.90	0	0	0	0	0
\$71	\$72	13.00	10.60	8.20	5.90	3.50	1.20	0	0	0	0	0
\$72	\$73	13.40	11.00	8.60	6.30	3.90	1.60	0	0	0	0	0
\$73	\$74	13.80	11.40	9.00	6.70	4.30	2.00	0	0	0	0	0
\$74	\$75	14.20	11.80	9.40	7.10	4.70	2.40	0	0	0	0	0
\$75	\$76	14.60	12.20	9.80	7.50	5.10	2.80	.40	0	0	0	0
\$76	\$77	15.00	12.60	10.20	7.90	5.50	3.20	.70	0	0	0	0
\$77	\$78	15.40	13.00	10.60	8.30	5.90	3.60	1.00	0	0	0	0
\$78	\$79	15.80	13.40	11.00	8.70	6.30	4.00	1.30	0	0	0	0
\$79	\$80	16.20	13.80	11.40	9.10	6.70	4.40	1.60	0	0	0	0
\$80	\$81	16.60	14.20	11.80	9.50	7.10	4.80	2.00	0	0	0	0
\$81	\$82	17.00	14.60	12.20	9.90	7.50	5.20	2.40	0	0	0	0
\$82	\$83	17.40	15.00	12.60	10.30	7.90	5.60	2.80	0	0	0	0
\$83	\$84	17.80	15.40	13.00	10.70	8.30	6.00	3.20	0	0	0	0
\$84	\$85	18.20	15.80	13.40	11.10	8.70	6.40	3.60	0	0	0	0
\$85	\$86	18.60	16.20	13.80	11.50	9.10	6.80	4.00	0	0	0	0
\$86	\$87	19.00	16.60	14.20	11.90	9.50	7.20	4.40	0	0	0	0
\$87	\$88	19.40	17.00	14.60	12.30	9.90	7.60	4.80	0	0	0	0
\$88	\$89	19.80	17.40	15.00	12.70	10.30	8.00	5.20	0	0	0	0
\$89	\$90	20.20	17.80	15.40	13.10	10.70	8.40	5.60	0	0	0	0
\$90	\$91	20.60	18.20	15.80	13.50	11.10	8.80	6.00	0	0	0	0
\$91	\$92	21.00	18.60	16.20	13.90	11.50	9.20	6.40	0	0	0	0
\$92	\$93	21.40	19.00	16.60	14.30	11.90	9.60	6.80	0	0	0	0
\$93	\$94	21.80	19.40	17.00	14.70	12.30	10.00	7.20	0	0	0	0
\$94	\$95	22.20	19.80	17.40	15.10	12.70	10.40	7.60	0	0	0	0
\$95	\$96	22.60	20.20	17.80	15.50	13.10	10.80	8.00	0	0	0	0
\$96	\$97	23.00	20.60	18.20	15.90	13.50	11.20	8.40	0	0	0	0
\$97	\$98	23.40	21.00	18.60	16.30	13.90	11.60	8.80	0	0	0	0
\$98	\$99	23.80	21.40	19.00	16.70	14.30	12.00	9.20	0	0	0	0
\$99	\$100	24.20	21.80	19.40	17.10	14.70	12.40	9.60	0	0	0	0
\$100	\$101	24.60	22.20	19.80	17.50	15.10	12.80	10.00	0	0	0	0
\$101	\$102	25.00	22.60	20.20	17.90	15.50	13.20	10.40	0	0	0	0
\$102	\$103	25.40	23.00	20.60	18.30	15.90	13.60	10.80	0	0	0	0
\$103	\$104	25.80	23.40	21.00	18.70	16.30	14.00	11.20	0	0	0	0
\$104	\$105	26.20	23.80	21.40	19.10	16.70	14.40	11.60	0	0	0	0
\$105	\$106	26.60	24.20	21.80	19.50	17.10	14.80	12.00	0	0	0	0
\$106	\$107	27.00	24.60	22.20	19.90	17.50	15.20	12.40	0	0	0	0
\$107	\$108	27.40	25.00	22.60	20.30	17.90	15.60	12.80	0	0	0	0
\$108	\$109	27.80	25.40	23.00	20.70	18.30	16.00	13.20	0	0	0	0
\$109	\$110	28.20	25.80	23.40	21.10	18.70	16.40	13.60	0	0	0	0
\$110	\$111	28.60	26.20	23.80	21.50	19.10	16.80	14.00	0	0	0	0
\$111	\$112	29.00	26.60	24.20	21.90	19.50	17.20	14.40	0	0	0	0
\$112	\$113	29.40	27.00	24.60	22.30	19.90	17.60	14.80	0	0	0	0
\$113	\$114	29.80	27.40	25.00	22.70	20.30	18.00	15.20	0	0	0	0
\$114	\$115	30.20	27.80	25.40	23.10	20.70	18.40	15.60	0	0	0	0
\$115	\$116	30.60	28.20	25.80	23.50	21.10	18.80	16.00	0	0	0	0
\$116	\$117	31.00	28.60	26.20	23.90	21.50	19.20	16.40	0	0	0	0
\$117	\$118	31.40	29.00	26.60	24.30	21.90	19.60	16.80	0	0	0	0
\$118	\$119	31.80	29.40	27.00	24.70	22.30	20.00	17.20	0	0	0	0
\$119	\$120	32.20	29.80	27.40	25.10	22.70	20.40	17.60	0	0	0	0
\$120	\$121	32.60	30.20	27.80	25.50	23.10	20.80	18.00	0	0	0	0
\$121	\$122	33.00	30.60	28.20	25.90	23.50	21.20	18.40	0	0	0	0
\$122	\$123	33.40	31.00	28.60	26.30	23.90	21.60	18.80	0	0	0	0
\$123	\$124	33.80	31.40	29.00	26.70	24.30	22.00	19.20	0	0	0	0
\$124	\$125	34.20	31.80	29.40	27.10	24.70	22.40	19.60	0	0	0	0
\$125	\$126	34.60	32.20	29.80	27.50	25.10	22.80	20.00	0	0	0	0
\$126	\$127	35.00	32.60	30.20	27.90	25.50	23.20	20.40	0	0	0	0
\$127	\$128	35.40	33.00	30.60	28.30	25.90	23.60	20.80	0	0	0	0
\$128	\$129	35.80	33.40	31.00	28.70	26.30	24.00	21.20	0	0	0	0
\$129	\$130	36.20	33.80	31.40	29.10	26.70	24.40	21.60	0	0	0	0
\$130												

If the payroll period with respect to an employee is biweekly—

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
		18% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$26	\$4.90	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$26	\$28	.20	0	0	0	0	0	0	0	0	0	0
\$28	\$30	5.20	0	0	0	0	0	0	0	0	0	0
\$30	\$32	5.60	0	0	0	0	0	0	0	0	0	0
\$32	\$34	5.90	0	0	0	0	0	0	0	0	0	0
\$34	\$36	6.30	0	0	0	0	0	0	0	0	0	0
\$36	\$38	6.70	0	0	0	0	0	0	0	0	0	0
\$38	\$40	7.00	0	0	0	0	0	0	0	0	0	0
\$40	\$42	7.40	0	0	0	0	0	0	0	0	0	0
\$42	\$44	7.70	0	0	0	0	0	0	0	0	0	0
\$44	\$46	8.10	0	0	0	0	0	0	0	0	0	0
\$46	\$48	8.50	0	0	0	0	0	0	0	0	0	0
\$48	\$50	8.80	0	0	0	0	0	0	0	0	0	0
\$50	\$52	9.20	0	0	0	0	0	0	0	0	0	0
\$52	\$54	9.50	.30	0	0	0	0	0	0	0	0	0
\$54	\$56	9.90	.70	0	0	0	0	0	0	0	0	0
\$56	\$58	10.30	1.00	0	0	0	0	0	0	0	0	0
\$58	\$60	10.60	1.40	0	0	0	0	0	0	0	0	0
\$60	\$62	11.00	1.70	0	0	0	0	0	0	0	0	0
\$62	\$64	11.30	2.10	0	0	0	0	0	0	0	0	0
\$64	\$66	11.70	2.50	0	0	0	0	0	0	0	0	0
\$66	\$68	12.10	2.80	0	0	0	0	0	0	0	0	0
\$68	\$70	12.40	3.20	0	0	0	0	0	0	0	0	0
\$70	\$72	12.80	3.50	0	0	0	0	0	0	0	0	0
\$72	\$74	13.10	3.90	0	0	0	0	0	0	0	0	0
\$74	\$76	13.50	4.30	0	0	0	0	0	0	0	0	0
\$76	\$78	13.90	4.60	0	0	0	0	0	0	0	0	0
\$78	\$80	14.20	5.00	.40	0	0	0	0	0	0	0	0
\$80	\$82	14.60	5.30	.70	0	0	0	0	0	0	0	0
\$82	\$84	14.90	5.70	1.10	0	0	0	0	0	0	0	0
\$84	\$86	15.30	6.10	1.50	0	0	0	0	0	0	0	0
\$86	\$88	15.70	6.40	1.80	0	0	0	0	0	0	0	0
\$88	\$90	16.00	6.80	2.20	0	0	0	0	0	0	0	0
\$90	\$92	16.40	7.10	2.50	0	0	0	0	0	0	0	0
\$92	\$94	16.70	7.50	2.90	0	0	0	0	0	0	0	0
\$94	\$96	17.10	7.90	3.30	0	0	0	0	0	0	0	0
\$96	\$98	17.50	8.20	3.60	0	0	0	0	0	0	0	0
\$98	\$100	17.80	8.60	4.00	0	0	0	0	0	0	0	0
\$100	\$102	18.20	8.90	4.30	0	0	0	0	0	0	0	0
\$102	\$104	18.50	9.30	4.70	.10	0	0	0	0	0	0	0
\$104	\$106	18.90	9.70	5.10	.40	0	0	0	0	0	0	0
\$106	\$108	19.30	10.00	5.40	.80	0	0	0	0	0	0	0
\$108	\$110	19.60	10.40	5.80	1.20	0	0	0	0	0	0	0
\$110	\$112	20.00	10.70	6.10	1.50	0	0	0	0	0	0	0
\$112	\$114	20.30	11.10	6.50	1.90	0	0	0	0	0	0	0
\$114	\$116	20.70	11.50	6.90	2.20	0	0	0	0	0	0	0
\$116	\$118	21.10	11.80	7.20	2.60	0	0	0	0	0	0	0
\$118	\$120	21.40	12.20	7.60	3.00	0	0	0	0	0	0	0
\$120	\$122	22.00	12.70	8.10	3.50	0	0	0	0	0	0	0
\$122	\$124	22.70	13.40	8.80	4.20	0	0	0	0	0	0	0
\$124	\$126	23.40	14.20	9.60	4.90	.30	0	0	0	0	0	0
\$126	\$128	24.10	14.90	10.30	5.70	1.00	0	0	0	0	0	0
\$128	\$130	24.80	15.60	11.00	6.40	1.80	0	0	0	0	0	0
\$130	\$132	25.60	16.30	11.70	7.10	2.50	0	0	0	0	0	0
\$132	\$134	26.30	17.00	12.40	7.80	3.20	0	0	0	0	0	0
\$134	\$136	27.00	17.80	13.20	8.50	3.90	0	0	0	0	0	0
\$136	\$138	27.70	18.50	13.90	9.30	4.60	0	0	0	0	0	0
\$138	\$140	28.40	19.20	14.60	10.00	5.40	.70	0	0	0	0	0
\$140	\$142	29.20	19.90	15.30	10.70	6.10	1.50	0	0	0	0	0
\$142	\$144	30.00	20.60	16.00	11.40	6.80	2.20	0	0	0	0	0
\$144	\$146	30.60	21.40	16.80	12.10	7.50	2.90	0	0	0	0	0
\$146	\$148	31.30	22.10	17.50	12.90	8.20	3.60	0	0	0	0	0
\$148	\$150	32.00	22.80	18.20	13.60	9.00	4.30	0	0	0	0	0
\$150	\$152	32.80	23.50	18.90	14.30	9.70	5.10	.50	0	0	0	0
\$152	\$154	33.50	24.20	19.60	15.00	10.40	5.80	1.20	0	0	0	0
\$154	\$156	34.20	24.90	20.40	15.70	11.10	6.50	1.90	0	0	0	0
\$156	\$158	34.90	25.70	21.10	16.50	11.80	7.20	2.60	0	0	0	0
\$158	\$160	35.60	26.40	21.80	17.20	12.60	7.90	3.30	0	0	0	0
\$160	\$162	36.90	27.70	23.10	18.40	13.80	9.20	4.60	0	0	0	0
\$162	\$164	38.70	34.10	29.50	24.90	20.20	15.60	11.00	6.40	1.80	0	0
\$164	\$166	40.50	35.90	31.30	26.70	22.00	17.40	12.80	8.20	3.60	0	0
\$166	\$168	42.30	37.70	33.10	28.50	23.80	19.20	14.60	10.00	5.40	.80	0
\$168	\$170	44.10	39.50	34.90	30.30	25.60	21.00	16.40	11.80	7.20	2.60	0
\$170	\$172	45.90	41.30	36.70	32.10	27.40	22.80	18.20	13.60	9.00	4.40	0
\$172	\$174	47.70	43.10	38.50	33.90	29.20	24.60	20.00	15.40	10.80	6.20	1.50
\$174	\$176	49.50	44.90	40.30	35.70	31.00	26.40	21.80	17.20	12.60	8.00	3.30
\$176	\$178	51.30	46.70	42.10	37.50	32.80	28.20	23.60	19.00	14.40	9.80	5.10
\$178	\$180	53.10	48.50	43.90	39.30	34.60	30.00	25.40	20.80	16.20	11.60	6.90
\$180	\$182	55.80	51.20	46.60	42.00	37.30	32.70	28.10	23.50	18.90	14.30	9.60
\$182	\$184	59.40	54.80	50.20	45.60	40.90	36.30	31.70	27.10	22.50	17.90	13.20
\$184	\$186	63.00	58.40	53.80	49.20	44.50	39.90	35.30	30.70	26.10	21.50	16.80
\$186	\$188	66.60	62.00	57.40	52.80	48.10	43.50	38.90	34.30	29.70	25.10	20.40
\$188	\$190	70.20	65.60	61.00	56.40	51.70	47.10	42.50	37.90	33.30	28.70	24.00
18 percent of the excess over \$400 plus—												
\$400 and over		72.00	67.40	62.80	58.20	53.50	48.90	44.30	39.70	35.10	30.50	25.80

PROPOSED RULE MAKING

If the payroll period with respect to an employee is semimonthly—

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$0	\$28	18% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$28	\$30	\$5.20	.20	0	0	0	0	0	0	0	0	0
\$30	\$32	5.60	.60	0	0	0	0	0	0	0	0	0
\$32	\$34	5.90	.90	0	0	0	0	0	0	0	0	0
\$34	\$36	6.30	1.30	0	0	0	0	0	0	0	0	0
\$36	\$38	6.70	1.70	0	0	0	0	0	0	0	0	0
\$38	\$40	7.00	2.00	0	0	0	0	0	0	0	0	0
\$40	\$42	7.40	2.40	0	0	0	0	0	0	0	0	0
\$42	\$44	7.70	2.70	0	0	0	0	0	0	0	0	0
\$44	\$46	8.10	3.10	0	0	0	0	0	0	0	0	0
\$46	\$48	8.50	3.50	0	0	0	0	0	0	0	0	0
\$48	\$50	8.80	3.80	0	0	0	0	0	0	0	0	0
\$50	\$52	9.20	4.20	0	0	0	0	0	0	0	0	0
\$52	\$54	9.50	4.50	0	0	0	0	0	0	0	0	0
\$54	\$56	9.90	4.90	0	0	0	0	0	0	0	0	0
\$56	\$58	10.30	5.30	.30	0	0	0	0	0	0	0	0
\$58	\$60	10.60	5.60	.60	0	0	0	0	0	0	0	0
\$60	\$62	11.00	6.00	1.00	0	0	0	0	0	0	0	0
\$62	\$64	11.30	6.30	1.30	0	0	0	0	0	0	0	0
\$64	\$66	11.70	6.70	1.70	0	0	0	0	0	0	0	0
\$66	\$68	12.10	7.10	2.10	0	0	0	0	0	0	0	0
\$68	\$70	12.40	7.40	2.40	0	0	0	0	0	0	0	0
\$70	\$72	12.80	7.80	2.80	0	0	0	0	0	0	0	0
\$72	\$74	13.10	8.10	3.10	0	0	0	0	0	0	0	0
\$74	\$76	13.50	8.50	3.50	0	0	0	0	0	0	0	0
\$76	\$78	13.90	8.90	3.90	0	0	0	0	0	0	0	0
\$78	\$80	14.20	9.20	4.20	0	0	0	0	0	0	0	0
\$80	\$82	14.60	9.60	4.60	0	0	0	0	0	0	0	0
\$82	\$84	14.90	9.90	4.90	0	0	0	0	0	0	0	0
\$84	\$86	15.30	10.30	5.30	.30	0	0	0	0	0	0	0
\$86	\$88	15.70	10.70	5.70	.70	0	0	0	0	0	0	0
\$88	\$90	16.00	11.00	6.00	1.00	0	0	0	0	0	0	0
\$90	\$92	16.40	11.40	6.40	1.40	0	0	0	0	0	0	0
\$92	\$94	16.70	11.70	6.70	1.70	0	0	0	0	0	0	0
\$94	\$96	17.10	12.10	7.10	2.10	0	0	0	0	0	0	0
\$96	\$98	17.50	12.50	7.50	2.50	0	0	0	0	0	0	0
\$98	\$100	17.80	12.80	7.80	2.80	0	0	0	0	0	0	0
\$100	\$102	18.20	13.20	8.20	3.20	0	0	0	0	0	0	0
\$102	\$104	18.50	13.50	8.50	3.50	0	0	0	0	0	0	0
\$104	\$106	18.90	13.90	8.90	3.90	0	0	0	0	0	0	0
\$106	\$108	19.30	14.30	9.30	4.30	0	0	0	0	0	0	0
\$108	\$110	19.60	14.60	9.60	4.60	0	0	0	0	0	0	0
\$110	\$112	20.00	15.00	10.00	5.00	0	0	0	0	0	0	0
\$112	\$114	20.30	15.30	10.30	5.30	.30	0	0	0	0	0	0
\$114	\$116	20.70	15.70	10.70	5.70	.70	0	0	0	0	0	0
\$116	\$118	21.10	16.10	11.10	6.10	1.10	0	0	0	0	0	0
\$118	\$120	21.40	16.40	11.40	6.40	1.40	0	0	0	0	0	0
\$120	\$122	22.00	17.00	12.00	7.00	2.00	0	0	0	0	0	0
\$122	\$124	22.70	17.70	12.70	7.70	2.70	0	0	0	0	0	0
\$124	\$126	23.40	18.40	13.40	8.40	3.40	0	0	0	0	0	0
\$126	\$128	24.10	19.10	14.10	9.10	4.10	0	0	0	0	0	0
\$128	\$130	24.80	19.80	14.80	9.80	4.80	0	0	0	0	0	0
\$130	\$132	25.60	20.60	15.60	10.60	5.60	.60	0	0	0	0	0
\$132	\$134	26.30	21.30	16.30	11.30	6.30	1.30	0	0	0	0	0
\$134	\$136	27.00	22.00	17.00	12.00	7.00	2.00	0	0	0	0	0
\$136	\$138	27.70	22.70	17.70	12.70	7.70	2.70	0	0	0	0	0
\$138	\$140	28.40	23.40	18.40	13.40	8.40	3.40	0	0	0	0	0
\$140	\$142	29.20	24.20	19.20	14.20	9.20	4.20	0	0	0	0	0
\$142	\$144	29.90	24.90	19.90	14.90	9.90	4.90	0	0	0	0	0
\$144	\$146	30.60	25.60	20.60	15.60	10.60	5.60	.60	0	0	0	0
\$146	\$148	31.30	26.30	21.30	16.30	11.30	6.30	1.30	0	0	0	0
\$148	\$150	32.00	27.00	22.00	17.00	12.00	7.00	2.00	0	0	0	0
\$150	\$152	32.80	27.80	22.80	17.80	12.80	7.80	2.80	0	0	0	0
\$152	\$154	33.50	28.50	23.50	18.50	13.50	8.50	3.50	0	0	0	0
\$154	\$156	34.20	29.20	24.20	19.20	14.20	9.20	4.20	0	0	0	0
\$156	\$158	34.90	29.90	24.90	19.90	14.90	9.90	4.90	0	0	0	0
\$158	\$160	35.60	30.60	25.60	20.60	15.60	10.60	5.60	.60	0	0	0
\$160	\$162	36.90	31.90	26.90	21.90	16.90	11.90	6.90	1.90	0	0	0
\$162	\$164	38.70	33.70	28.70	23.70	18.70	13.70	8.70	3.70	0	0	0
\$164	\$166	40.50	35.50	30.50	25.50	20.50	15.50	10.50	5.50	.50	0	0
\$166	\$168	42.30	37.30	32.30	27.30	22.30	17.30	12.30	7.30	2.30	0	0
\$168	\$170	44.10	39.10	34.10	29.10	24.10	19.10	14.10	9.10	4.10	0	0
\$170	\$172	45.90	40.90	35.90	30.90	25.90	20.90	15.90	10.90	5.90	.90	0
\$172	\$174	47.70	42.70	37.70	32.70	27.70	22.70	17.70	12.70	7.70	2.70	0
\$174	\$176	49.50	44.50	39.50	34.50	29.50	24.50	19.50	14.50	9.50	4.50	0
\$176	\$178	51.30	46.30	41.30	36.30	31.30	26.30	21.30	16.30	11.30	6.30	1.30
\$178	\$180	53.10	48.10	43.10	38.10	33.10	28.10	23.10	18.10	13.10	8.10	3.10
\$180	\$182	55.80	50.80	45.80	40.80	35.80	30.80	25.80	20.80	15.80	10.80	5.80
\$182	\$184	59.40	54.40	49.40	44.40	39.40	34.40	29.40	24.40	19.40	14.40	9.40
\$184	\$186	63.00	58.00	53.00	48.00	43.00	38.00	33.00	28.00	23.00	18.00	13.00
\$186	\$188	66.60	61.60	56.60	51.60	46.60	41.60	36.60	31.60	26.60	21.60	16.60
\$188	\$190	70.20	65.20	60.20	55.20	50.20	45.20	40.20	35.20	30.20	25.20	20.20
\$190	\$192	73.80	68.80	63.80	58.80	53.80	48.80	43.80	38.80	33.80	28.80	23.80
\$192	\$194	77.40	72.40	67.40	62.40	57.40	52.40	47.40	42.40	37.40	32.40	27.40
\$194	\$196	81.00	76.00	71.00	66.00	61.00	56.00	51.00	46.00	41.00	36.00	31.00
\$196	\$198	84.60	79.60	74.60	69.60	64.60	59.60	54.60	49.60	44.60	39.60	34.60
\$198	\$200	88.20	83.20	78.20	73.20	68.20	63.20	58.20	53.20	48.20	43.20	38.20
18 percent of the excess over \$500 plus—												
\$500 and over		90.00	85.00	80.00	75.00	70.00	65.00	60.00	55.00	50.00	45.00	40.00

If the payroll period with respect to an employee is monthly—

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
		18% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$56	\$10.40	.40	0	0	0	0	0	0	0	0	0
\$56	\$60	11.20	1.20	0	0	0	0	0	0	0	0	0
\$60	\$64	11.90	1.90	0	0	0	0	0	0	0	0	0
\$64	\$68	12.60	2.60	0	0	0	0	0	0	0	0	0
\$68	\$72	13.30	3.30	0	0	0	0	0	0	0	0	0
\$72	\$76	14.00	4.00	0	0	0	0	0	0	0	0	0
\$76	\$80	14.80	4.80	0	0	0	0	0	0	0	0	0
\$80	\$84	15.50	5.50	0	0	0	0	0	0	0	0	0
\$84	\$88	16.20	6.20	0	0	0	0	0	0	0	0	0
\$88	\$92	16.90	6.90	0	0	0	0	0	0	0	0	0
\$92	\$96	17.60	7.60	0	0	0	0	0	0	0	0	0
\$96	\$100	18.40	8.40	0	0	0	0	0	0	0	0	0
\$100	\$104	19.10	9.10	0	0	0	0	0	0	0	0	0
\$104	\$108	19.80	9.80	0	0	0	0	0	0	0	0	0
\$108	\$112	20.50	10.50	.50	0	0	0	0	0	0	0	0
\$112	\$116	21.20	11.20	1.20	0	0	0	0	0	0	0	0
\$116	\$120	22.00	12.00	2.00	0	0	0	0	0	0	0	0
\$120	\$124	22.70	12.70	2.70	0	0	0	0	0	0	0	0
\$124	\$128	23.40	13.40	3.40	0	0	0	0	0	0	0	0
\$128	\$132	24.10	14.10	4.10	0	0	0	0	0	0	0	0
\$132	\$136	24.80	14.80	4.80	0	0	0	0	0	0	0	0
\$136	\$140	25.60	15.60	5.60	0	0	0	0	0	0	0	0
\$140	\$144	26.30	16.30	6.30	0	0	0	0	0	0	0	0
\$144	\$148	27.00	17.00	7.00	0	0	0	0	0	0	0	0
\$148	\$152	27.70	17.70	7.70	0	0	0	0	0	0	0	0
\$152	\$156	28.40	18.40	8.40	0	0	0	0	0	0	0	0
\$156	\$160	29.20	19.20	9.20	0	0	0	0	0	0	0	0
\$160	\$164	29.90	19.90	9.90	0	0	0	0	0	0	0	0
\$164	\$168	30.60	20.60	10.60	.60	0	0	0	0	0	0	0
\$168	\$172	31.30	21.30	11.30	1.30	0	0	0	0	0	0	0
\$172	\$176	32.00	22.00	12.00	2.00	0	0	0	0	0	0	0
\$176	\$180	32.80	22.80	12.80	2.80	0	0	0	0	0	0	0
\$180	\$184	33.50	23.50	13.50	3.50	0	0	0	0	0	0	0
\$184	\$188	34.20	24.20	14.20	4.20	0	0	0	0	0	0	0
\$188	\$192	34.90	24.90	14.90	4.90	0	0	0	0	0	0	0
\$192	\$196	35.60	25.60	15.60	5.60	0	0	0	0	0	0	0
\$196	\$200	36.40	26.40	16.40	6.40	0	0	0	0	0	0	0
\$200	\$204	37.10	27.10	17.10	7.10	0	0	0	0	0	0	0
\$204	\$208	37.80	27.80	17.80	7.80	0	0	0	0	0	0	0
\$208	\$212	38.50	28.50	18.50	8.50	0	0	0	0	0	0	0
\$212	\$216	39.20	29.20	19.20	9.20	0	0	0	0	0	0	0
\$216	\$220	40.00	30.00	20.00	10.00	0	0	0	0	0	0	0
\$220	\$224	40.70	30.70	20.70	10.70	.70	0	0	0	0	0	0
\$224	\$228	41.40	31.40	21.40	11.40	1.40	0	0	0	0	0	0
\$228	\$232	42.10	32.10	22.10	12.10	2.10	0	0	0	0	0	0
\$232	\$236	42.80	32.80	22.80	12.80	2.80	0	0	0	0	0	0
\$236	\$240	43.90	33.90	23.90	13.90	3.90	0	0	0	0	0	0
\$240	\$244	45.40	35.40	25.40	15.40	5.40	0	0	0	0	0	0
\$244	\$248	46.80	36.80	26.80	16.80	6.80	0	0	0	0	0	0
\$248	\$252	48.20	38.20	28.20	18.20	8.20	0	0	0	0	0	0
\$252	\$256	49.70	39.70	29.70	19.70	9.70	0	0	0	0	0	0
\$256	\$260	51.10	41.10	31.10	21.10	11.10	1.10	0	0	0	0	0
\$260	\$264	52.60	42.60	32.60	22.60	12.60	2.60	0	0	0	0	0
\$264	\$268	54.00	44.00	34.00	24.00	14.00	4.00	0	0	0	0	0
\$268	\$272	55.40	45.40	35.40	25.40	15.40	5.40	0	0	0	0	0
\$272	\$276	56.90	46.90	36.90	26.90	16.90	6.90	0	0	0	0	0
\$276	\$280	58.30	48.30	38.30	28.30	18.30	8.30	0	0	0	0	0
\$280	\$284	59.80	49.80	39.80	29.80	19.80	9.80	0	0	0	0	0
\$284	\$288	61.20	51.20	41.20	31.20	21.20	11.20	1.20	0	0	0	0
\$288	\$292	62.60	52.60	42.60	32.60	22.60	12.60	2.60	0	0	0	0
\$292	\$296	64.10	54.10	44.10	34.10	24.10	14.10	4.10	0	0	0	0
\$296	\$300	65.50	55.50	45.50	35.50	25.50	15.50	5.50	0	0	0	0
\$300	\$304	67.00	57.00	47.00	37.00	27.00	17.00	7.00	0	0	0	0
\$304	\$308	68.40	58.40	48.40	38.40	28.40	18.40	8.40	0	0	0	0
\$308	\$312	69.80	59.80	49.80	39.80	29.80	19.80	9.80	0	0	0	0
\$312	\$316	71.30	61.30	51.30	41.30	31.30	21.30	11.30	1.30	0	0	0
\$316	\$320	73.80	63.80	53.80	43.80	33.80	23.80	13.80	3.80	0	0	0
\$320	\$324	77.40	67.40	57.40	47.40	37.40	27.40	17.40	7.40	0	0	0
\$324	\$328	81.00	71.00	61.00	51.00	41.00	31.00	21.00	11.00	1.00	0	0
\$328	\$332	84.60	74.60	64.60	54.60	44.60	34.60	24.60	14.60	4.60	0	0
\$332	\$336	88.20	78.20	68.20	58.20	48.20	38.20	28.20	18.20	8.20	0	0
\$336	\$340	91.80	81.80	71.80	61.80	51.80	41.80	31.80	21.80	11.80	1.80	0
\$340	\$344	95.40	85.40	75.40	65.40	55.40	45.40	35.40	25.40	15.40	5.40	0
\$344	\$348	99.00	89.00	79.00	69.00	59.00	49.00	39.00	29.00	19.00	9.00	0
\$348	\$352	102.60	92.60	82.60	72.60	62.60	52.60	42.60	32.60	22.60	12.60	2.60
\$352	\$356	106.20	96.20	86.20	76.20	66.20	56.20	46.20	36.20	26.20	16.20	6.20
\$356	\$360	111.60	101.60	91.60	81.60	71.60	61.60	51.60	41.60	31.60	21.60	11.60
\$360	\$364	118.80	108.80	98.80	88.80	78.80	68.80	58.80	48.80	38.80	28.80	18.80
\$364	\$368	126.00	116.00	106.00	96.00	86.00	76.00	66.00	56.00	46.00	36.00	26.00
\$368	\$372	133.20	123.20	113.20	103.20	93.20	83.20	73.20	63.20	53.20	43.20	33.20
\$372	\$376	140.40	130.40	120.40	110.40	100.40	90.40	80.40	70.40	60.40	50.40	40.40
\$376	\$380	147.60	137.60	127.60	117.60	107.60	97.60	87.60	77.60	67.60	57.60	47.60
\$380	\$384	154.80	144.80	134.80	124.80	114.80	104.80	94.80	84.80	74.80	64.80	54.80
\$384	\$388	162.00	152.00	142.00	132.00	122.00	112.00	102.00	92.00	82.00	72.00	62.00
\$388	\$392	169.20	159.20	149.20	139.20	129.20	119.20	109.20	99.20	89.20	79.20	69.20
\$392	\$396	176.40	166.40	156.40	146.40	136.40	126.40	116.40	106.40	96.40	86.40	76.40
\$396	\$1,000											
18 percent of the excess over \$1,000 plus—												
\$1,000 and over		180.00	170.00	160.00	150.00	140.00	130.00	120.00	110.00	100.00	90.00	80.00

PROPOSED RULE MAKING

If the payroll period with respect to an employee is a daily payroll period or a miscellaneous payroll period—

And the wages divided by the number of days in such period are—		And the number of withholding exemptions claimed is—											
		0	1	2	3	4	5	6	7	8	9	10 or more	
At least—	But less than—	The amount of tax to be withheld shall be the following amount multiplied by the number of days in such period—											
\$0.	\$2.00	18% of wages	\$0.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.
\$2.00	\$2.25	\$0.40	.05	0	0	0	0	0	0	0	0	0	0
\$2.25	\$2.50	.45	.10	0	0	0	0	0	0	0	0	0	0
\$2.50	\$2.75	.45	.15	0	0	0	0	0	0	0	0	0	0
\$2.75	\$3.00	.50	.20	0	0	0	0	0	0	0	0	0	0
\$3.00	\$3.25	.55	.25	0	0	0	0	0	0	0	0	0	0
\$3.25	\$3.50	.60	.30	0	0	0	0	0	0	0	0	0	0
\$3.50	\$3.75	.65	.30	0	0	0	0	0	0	0	0	0	0
\$3.75	\$4.00	.70	.35	.05	0	0	0	0	0	0	0	0	0
\$4.00	\$4.25	.75	.40	.10	0	0	0	0	0	0	0	0	0
\$4.25	\$4.50	.80	.45	.15	0	0	0	0	0	0	0	0	0
\$4.50	\$4.75	.85	.50	.15	0	0	0	0	0	0	0	0	0
\$4.75	\$5.00	.90	.55	.20	0	0	0	0	0	0	0	0	0
\$5.00	\$5.25	.90	.60	.25	0	0	0	0	0	0	0	0	0
\$5.25	\$5.50	.95	.65	.30	0	0	0	0	0	0	0	0	0
\$5.50	\$5.75	1.00	.70	.35	.05	0	0	0	0	0	0	0	0
\$5.75	\$6.00	1.05	.75	.40	.05	0	0	0	0	0	0	0	0
\$6.00	\$6.25	1.10	.75	.45	.10	0	0	0	0	0	0	0	0
\$6.25	\$6.50	1.15	.80	.50	.15	0	0	0	0	0	0	0	0
\$6.50	\$6.75	1.20	.85	.55	.20	0	0	0	0	0	0	0	0
\$6.75	\$7.00	1.25	.90	.60	.25	0	0	0	0	0	0	0	0
\$7.00	\$7.25	1.30	.95	.60	.30	0	0	0	0	0	0	0	0
\$7.25	\$7.50	1.35	1.00	.65	.35	0	0	0	0	0	0	0	0
\$7.50	\$7.75	1.35	1.05	.70	.40	.05	0	0	0	0	0	0	0
\$7.75	\$8.00	1.40	1.10	.75	.45	.10	0	0	0	0	0	0	0
\$8.00	\$8.25	1.45	1.15	.80	.50	.15	0	0	0	0	0	0	0
\$8.25	\$8.50	1.50	1.20	.85	.50	.20	0	0	0	0	0	0	0
\$8.50	\$8.75	1.55	1.20	.90	.55	.25	0	0	0	0	0	0	0
\$8.75	\$9.00	1.60	1.25	.95	.60	.30	0	0	0	0	0	0	0
\$9.00	\$9.25	1.65	1.30	1.00	.65	.35	0	0	0	0	0	0	0
\$9.25	\$9.50	1.70	1.35	1.05	.70	.35	.05	0	0	0	0	0	0
\$9.50	\$9.75	1.75	1.40	1.05	.75	.40	.10	0	0	0	0	0	0
\$9.75	\$10.00	1.80	1.45	1.10	.80	.45	.15	0	0	0	0	0	0
\$10.00	\$10.50	1.85	1.50	1.20	.85	.55	.20	0	0	0	0	0	0
\$10.50	\$11.00	1.95	1.60	1.30	.95	.60	.30	0	0	0	0	0	0
\$11.00	\$11.50	2.05	1.70	1.35	1.05	.70	.40	.05	0	0	0	0	0
\$11.50	\$12.00	2.10	1.80	1.45	1.15	.80	.45	.15	0	0	0	0	0
\$12.00	\$12.50	2.20	1.90	1.55	1.20	.90	.55	.25	0	0	0	0	0
\$12.50	\$13.00	2.30	1.95	1.65	1.30	1.00	.65	.30	0	0	0	0	0
\$13.00	\$13.50	2.40	2.05	1.75	1.40	1.05	.75	.40	.10	0	0	0	0
\$13.50	\$14.00	2.50	2.15	1.80	1.50	1.15	.85	.50	.15	0	0	0	0
\$14.00	\$14.50	2.55	2.25	1.90	1.60	1.25	.90	.60	.25	0	0	0	0
\$14.50	\$15.00	2.65	2.35	2.00	1.65	1.35	1.00	.70	.35	0	0	0	0
\$15.00	\$15.50	2.75	2.40	2.10	1.75	1.45	1.10	.75	.45	.10	0	0	0
\$15.50	\$16.00	2.85	2.50	2.20	1.85	1.50	1.20	.85	.55	.20	0	0	0
\$16.00	\$16.50	2.95	2.60	2.25	1.95	1.60	1.30	.95	.60	.30	0	0	0
\$16.50	\$17.00	3.00	2.70	2.35	2.05	1.70	1.35	1.05	.70	.40	.05	0	0
\$17.00	\$17.50	3.10	2.80	2.45	2.10	1.80	1.45	1.15	.80	.45	.15	0	0
\$17.50	\$18.00	3.20	2.85	2.55	2.20	1.90	1.55	1.20	.90	.55	.25	0	0
\$18.00	\$18.50	3.30	2.95	2.65	2.30	1.95	1.65	1.30	1.00	.65	.35	0	0
\$18.50	\$19.00	3.40	3.05	2.70	2.40	2.05	1.75	1.40	1.05	.75	.40	.10	0
\$19.00	\$19.50	3.45	3.15	2.80	2.50	2.15	1.80	1.50	1.15	.85	.50	.20	0
\$19.50	\$20.00	3.55	3.25	2.90	2.55	2.25	1.90	1.60	1.25	.90	.60	.30	0
\$20.00	\$21.00	3.70	3.35	3.05	2.70	2.35	2.05	1.70	1.40	1.05	.75	.40	.10
\$21.00	\$22.00	3.85	3.55	3.20	2.90	2.55	2.25	1.90	1.55	1.25	.90	.60	.30
\$22.00	\$23.00	4.05	3.70	3.40	3.05	2.75	2.40	2.10	1.75	1.40	1.10	.75	.40
\$23.00	\$24.00	4.25	3.90	3.55	3.25	2.90	2.60	2.25	1.95	1.60	1.25	.95	.60
\$24.00	\$25.00	4.40	4.10	3.75	3.40	3.10	2.75	2.45	2.10	1.80	1.45	1.10	.75
\$25.00	\$26.00	4.60	4.25	3.95	3.60	3.25	2.95	2.60	2.30	1.95	1.65	1.30	.95
\$26.00	\$27.00	4.75	4.45	4.10	3.80	3.45	3.15	2.80	2.45	2.15	1.80	1.50	1.10
\$27.00	\$28.00	4.95	4.60	4.30	3.95	3.65	3.30	3.00	2.65	2.30	2.00	1.65	1.30
\$28.00	\$29.00	5.15	4.80	4.45	4.15	3.80	3.50	3.15	2.85	2.50	2.15	1.85	1.50
\$29.00	\$30.00	5.30	5.00	4.65	4.30	4.00	3.65	3.35	3.00	2.70	2.35	2.00	1.65
		18 percent of the excess over \$30 plus—											
\$30.00 and over		5.40	5.05	4.75	4.40	4.10	3.75	3.45	3.10	2.75	2.45	2.10	1.75

(2) If wages are paid with respect to a period which is not a payroll period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days (including Sundays and holidays) equal to the number of days in the period with respect to which such wages are paid.

(3) In any case in which wages are paid by an employer without regard to any payroll period or other period, the amount to be deducted and withheld shall be that applicable in the case of a miscellaneous payroll period containing a number of days equal to the number of days (including Sundays and holidays) which have elapsed since the date of the last payment of such wages by such employer during the calendar year, or the date of commencement of employment with such employer during such year, or January 1 of such year, whichever is the later.

(4) In any case in which the period, or the time described in paragraph (3) in respect of any wages is less than one week, the Sec-

retary or his delegate, under regulations prescribed by him, may authorize an employer to determine the amount to be deducted and withheld under the tables applicable in the case of a weekly payroll period, in which case the aggregate of the wages paid to the employee during the calendar week shall be considered the weekly wages.

(5) If the wages exceed the highest wage bracket, in determining the amount to be deducted and withheld under this subsection, the wages may, at the election of the employer, be computed to the nearest dollar.

§ 31.3402 (c)-1 *Wage bracket withholding—(a) In general.* (1) The employer may elect to use the wage bracket method provided in section 3402 (c) instead of the percentage method with respect to any employee. The tax computed under the wage bracket method shall be in lieu of the tax re-

quired to be deducted and withheld under section 3402 (a). Wage bracket withholding tables for weekly, biweekly, semi-monthly, monthly, and daily or miscellaneous payroll periods are contained in section 3402 (c).

(2) For provisions relating to the treatment of wages paid under wage continuation plans and wages paid other than in cash to retail commission salesmen, see §§ 31.3401 (a)-1 (b) (8) and 31.3402 (j)-1, respectively.

(b) *Established payroll periods, other than daily or miscellaneous, covered by wage bracket withholding tables.* The wage bracket withholding tables contained in section 3402 (c) for established payroll periods other than daily or miscellaneous should be used in determining the tax to be withheld for any such period without reference to the time the employee is actually engaged in the performance of services during such payroll period.

Example (1). During 1955 employee C has a semimonthly payroll period. The number of withholding exemptions claimed by C is two. During a certain payroll period C works only 40 hours and earns \$48. Although C worked only 40 hours during the semimonthly payroll period, the wage bracket withholding table for a semimonthly payroll period should be used in determining the tax to be withheld. Under this table it will be found that no tax is required to be withheld from a wage payment of \$48 when two withholding exemptions are claimed.

Example (2). During 1955 employee D has a weekly payroll period. The number of withholding exemptions claimed by D is two. D's wages are determined at the rate of \$1.20 per hour. During a certain payroll period D works 30 hours and earns \$36. Although D worked only 30 hours during the weekly payroll period, the wage bracket withholding table for a weekly payroll period should be used in determining the tax to be withheld. Under this table it will be found that \$2.00 is the amount of tax to be withheld from a wage payment of \$36 when two withholding exemptions are claimed.

(c) *Periods to which the table for a daily or miscellaneous payroll period is applicable—(1) In general.* The table applicable to a daily or miscellaneous payroll period shows the tax on the amount of wages for one day. Where the withholding is computed under the rules applicable to a miscellaneous payroll period, the wages and the amounts shown in the table must be placed on a comparable basis. This may be accomplished by reducing the wages paid for the period to a daily basis by dividing the total wages by the number of days (including Sundays and holidays) in the period. The amount of the tax shown in the table as the tax required to be withheld from the wages, as so reduced to a daily basis, should then be multiplied by the number of days (including Sundays and holidays) in the period.

(2) *Period not a payroll period.* If wages are paid for a period which is not a payroll period, the amount to be deducted and withheld under the wage bracket method shall be the amount applicable in the case of a miscellaneous payroll period containing a number of days (including Sundays and holidays) equal to the number of days (including Sundays and holidays) in the period with respect to which such wages are paid.

Example. During 1955, an individual is hired by a contractor to perform services in connection with a construction project. The number of withholding exemptions claimed by the individual is two. Wages are fixed at the rate of \$9 per day, to be paid upon completion of the project. The project is completed during 1955 in 12 days, at the end of which period the individual is paid wages of \$90 for ten days' services performed during the period. Under the wage bracket method the amount to be deducted and withheld from such wages is determined by dividing the amount of the wages (\$90) by the number of days in the period (12), the result being \$7.50. The amount of tax required to be withheld is determined under the table applicable to a miscellaneous payroll period. Under this table the tax required to be withheld is \$8.40 ($12 \times \$0.70$).

(3) **Wages paid without regard to any period.** If wages are paid to an employee without regard to any particular period, as, for example, commissions paid to a salesman upon consummation of a sale, the amount of tax to be deducted and withheld shall be determined in the same manner as in the case of a miscellaneous payroll period containing a number of days (including Sundays and holidays) equal to the number of days (including Sundays and holidays) which have elapsed, beginning with the latest of the following days:

- (i) The first day after the last payment of wages to such employee by such employer in the calendar year, or
- (ii) The date on which such individual's employment with such employer began in the calendar year, or
- (iii) January 1 of such calendar year, and ending with (and including) the date on which such wages are paid.

Example. On April 2, 1955, A is employed by the X Real Estate Co. to sell real estate on a commission basis, commissions to be paid only upon consummation of sales. The number of withholding exemptions claimed by A is one. On May 21, 1955, A receives a commission of \$300. Again, on June 16, 1955, A receives a commission of \$400. Under the wage bracket method, the amount of tax to be deducted and withheld in respect of the commission paid on May 21, is \$37.50, which amount is obtained by multiplying \$0.75 (tax under wage bracket table for a daily or miscellaneous payroll period where wages are at least \$6 but less than \$6.25 a day) by 50 (number of days elapsed); and the amount of tax to be withheld with respect to the commission paid on June 16 is \$62.40, which amount is obtained by multiplying \$2.40 (tax under wage bracket table for a daily or miscellaneous payroll period where wages are at least \$15 but less than \$15.50 a day) by 26 (number of days elapsed).

(d) **Period or elapsed time less than one week.** (1) It is the general rule that if wages are paid for a payroll period or other period of less than one week, the tax to be deducted and withheld under the wage bracket method shall be the amount computed for a daily payroll period, or for a miscellaneous payroll period containing the same number of days (including Sundays and holidays) as the payroll period, or other period, for which such wages are paid. In the case of wages paid without regard to any period, if the elapsed time computed as provided in paragraph (c) of this section is less than 1 week, the same rule is applicable.

Example (1). During 1955 an employee having a daily payroll period is paid wages of \$7 per day. The number of withholding exemptions claimed by the employee is one. Under the table applicable to a daily payroll period, the amount of tax to be deducted and withheld from each such payment of wages is \$0.95.

Example (2). During 1955 an individual is employed for four days, for which he is paid wages of \$36. The number of withholding exemptions claimed by him is two. The amount of tax to be deducted and withheld under the wage bracket method is \$4.00 ($4 \times \$1.00$).

(2) If the payroll period, other period, or elapsed time where wages are paid without regard to any period, is less than one week, the employer may, under certain conditions, elect to deduct and withhold the tax determined by the application of the wage table for a weekly payroll period to the aggregate of the wages paid to the employee during the calendar week. The election to use the weekly wage table in such cases is subject to the limitations and conditions prescribed in § 31.3402 (b)-1 (d) with respect to employers using the percentage method in similar cases.

(3) As used in this paragraph the term "calendar week" means a period of seven consecutive days beginning with Sunday and ending with Saturday.

(e) **Rounding off of wage payment.** In determining the amount to be deducted and withheld under the wage bracket method the wages may, at the election of the employer, be computed to the nearest dollar, provided such wages are in excess of the highest wage bracket of the applicable table. For the purpose of the computation to the nearest dollar, the payment of a fractional part of a dollar shall be disregarded unless it amounts to one-half dollar or more, in which case it shall be increased to \$1.00. Thus, if the payroll period of an employee is weekly and the wage payment of such employee is \$255.49, the employer may compute the tax on the excess over \$200 as if the excess were \$55 instead of \$55.49. If the weekly wage payment is \$255.50, the employer may, in computing the tax, consider the excess over \$200 to be \$56 instead of \$55.50.

§ 31.3402 (d) **Statutory provisions; income tax collected at source; tax paid by recipient.**

SEC. 3402. *Income tax collected at source.*

(d) **Tax paid by recipient.** If the employer, in violation of the provisions of this chapter, fails to deduct and withhold the tax under this chapter, and thereafter the tax against which such tax may be credited is paid, the tax so required to be deducted and withheld shall not be collected from the employer; but this subsection shall in no case relieve the employer from liability for any penalties or additions to the tax otherwise applicable in respect of such failure to deduct and withhold.

§ 31.3402 (d)-1 **Failure to withhold.** If the employer in violation of the provisions of section 3402 fails to deduct and withhold the tax, and thereafter the income tax against which the tax under section 3402 may be credited is paid, the tax under section 3402 shall not be collected from the employer. Such payment does not, however, operate to re-

lieve the employer from liability for penalties or additions to the tax applicable in respect of such failure to deduct and withhold. The employer will not be relieved of his liability for payment of the tax required to be withheld unless he can show that the tax against which the tax under section 3402 may be credited has been paid. See § 31.3403-1, relating to liability for tax.

§ 31.3402 (e) **Statutory provisions; income tax collected at source; included and excluded wages.**

SEC. 3402. *Income tax collected at source.*

(e) **Included and excluded wages.** If the remuneration paid by an employer to an employee for services performed during one-half or more of any payroll period of not more than 31 consecutive days constitutes wages, all the remuneration paid by such employer to such employee for such period shall be deemed to be wages; but if the remuneration paid by an employer to an employee for services performed during more than one-half of any such payroll period does not constitute wages, then none of the remuneration paid by such employer to such employee for such period shall be deemed to be wages.

§ 31.3402 (e)-1 **Included and excluded wages.** (a) If a portion of the remuneration paid by an employer to his employee for services performed during a payroll period of not more than 31 consecutive days constitutes wages, and the remainder does not constitute wages, all the remuneration paid the employee for services performed during such period shall for purposes of withholding be treated alike, that is, either all included as wages or all excluded. The time during which the employee performs services, the remuneration for which under section 3401 (a) constitutes wages, and the time during which he performs services, the remuneration for which under such section does not constitute wages, determine whether all the remuneration for services performed during the payroll period shall be deemed to be included or excluded.

(b) If one-half or more of the employee's time in the employ of a particular employer in a payroll period is spent in performing services the remuneration for which constitutes wages, then all the remuneration paid the employee for services performed in that payroll period shall be deemed to be wages.

(c) If less than one-half of the employee's time in the employ of a particular employer in a payroll period is spent in performing services the remuneration for which constitutes wages, then none of the remuneration paid the employee for services performed in that payroll period shall be deemed to be wages.

(d) The application of the provisions of paragraphs (a), (b), and (c) of this section may be illustrated by the following examples:

Example (1). Employer B, who operates a store and a farm, employs A to perform services in connection with both operations. The remuneration paid A for services on the farm is excepted as remuneration for agricultural labor, and the remuneration for services performed in the store constitutes wages. Employee A is paid on a monthly basis. During a particular month, A works 120 hours on the

farm and 80 hours in the store. None of the remuneration paid by B to A for services performed during the month is deemed to be wages, since the remuneration paid for less than one-half of the services performed during the month constitutes wages. During another month A works 75 hours on the farm and 120 hours in the store. All of the remuneration paid by B to A for services performed during the month is deemed to be wages since the remuneration paid for one-half or more of the services performed during the month constitutes wages.

Example (2). Employee C is employed as a maid by D, a physician, whose home and office are located in the same building. The remuneration paid C for services in the home is excepted as remuneration for domestic service, and the remuneration paid for her services in the office constitutes wages. C is paid on a weekly basis. During a particular week C works 20 hours in the home and 20 hours in the office. All of the remuneration paid D to C for services performed during that week is deemed to be wages, since the remuneration paid for one-half or more of the services performed during the week constitutes wages. During another week C works 22 hours in the home and 15 hours in the office. None of the remuneration paid by D to C for services performed during that week is deemed to be wages, since the remuneration paid for less than one-half of the services performed during the week constitutes wages.

(e) The rules set forth in this section do not apply (1) with respect to any remuneration paid for services performed by an employee for his employer if the periods for which remuneration is paid by the employer vary to the extent that there is no period which constitutes a payroll period within the meaning of section 3401 (b) (see § 31.3401 (b)-1), or (2) with respect to any remuneration paid for services performed by an employee for his employer if the payroll period for which remuneration is paid exceeds 31 consecutive days. In any such case withholding is required with respect to that portion of such remuneration which constitutes wages.

§ 31.3402 (f) (1) *Statutory provisions; income tax collected at source; withholding exemptions.*

Sec. 3402. Income tax collected at source.

(f) *Withholding exemptions*—(1) *In general.* An employee receiving wages shall on any day be entitled to the following withholding exemptions:

(A) An exemption for himself;

(B) One additional exemption for himself if, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable an exemption under section 151 (c) (1) (relating to old age) for the taxable year under subtitle A in respect of which amounts deducted and withheld under this chapter in the calendar year in which such day falls are allowed as a credit;

(C) One additional exemption for himself if, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable an exemption under section 151 (d) (1) (relating to the blind) for the taxable year under subtitle A in respect of which amounts deducted and withheld under this chapter in the calendar year in which such day falls are allowed as a credit;

(D) If the employee is married, any exemption to which his spouse is entitled, or would be entitled if such spouse were an employee receiving wages, under subparagraph (A), (B), or (C), but only if such

spouse does not have in effect a withholding exemption certificate claiming such exemption; and

(E) An exemption for each individual with respect to whom, on the basis of facts existing at the beginning of such day, there may reasonably be expected to be allowable an exemption under section 151 (e) for the taxable year under subtitle A in respect of which amounts deducted and withheld under this chapter in the calendar year in which such day falls are allowed as a credit.

§ 31.3402 (f) (1)-1 *Withholding exemptions*—(a) *In general.* (1) An employee receiving wages shall on any day be entitled to withholding exemptions as provided in section 3402 (f) (1). In order to receive the benefit of such exemptions, the employee must file with his employer a withholding exemption certificate as provided in section 3402 (f) (2). See § 31.3402 (f) (2)-1.

(2) The number of exemptions to which an employee is entitled on any day depends upon his status as single or married, upon his status as to old age and blindness, upon the number of his dependents, and, if married, upon the number of exemptions claimed by his spouse.

(b) *Withholding exemptions to which an employee is entitled in respect of himself.* An employee is entitled to one withholding exemption for himself. An employee shall on any day be entitled to an additional withholding exemption for himself if he will have attained the age of 65 before the close of his taxable year which begins in, or with, the calendar year in which such day falls. If the employee is blind, he may claim an additional exemption for blindness. For purposes of claiming a withholding exemption for blindness, an individual shall be considered blind only if his central visual acuity does not exceed 20/200 in the better eye with correcting lenses or if his visual acuity is greater than 20/200 but is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees. For definition of the term "blindness", see section 151 (d) (3).

(c) *Withholding exemptions to which an employee is entitled in respect of his spouse.* (1) A married employee, whose spouse is an employee receiving wages, is entitled to claim any withholding exemption to which his spouse is entitled under paragraph (b) of this section, unless the spouse has in effect a withholding exemption certificate claiming such withholding exemption. A married employee, whose spouse is not an employee receiving wages, is entitled to claim any withholding exemption to which his spouse would be entitled under paragraph (b) of this section if the spouse were an employee receiving wages.

Example (1). Assume that both the husband and wife have attained the age of 65 and are employees receiving wages. Each spouse is entitled under paragraph (b) of this section to claim 2 withholding exemptions in respect of himself or herself. Either spouse may claim, in addition to the withholding exemptions to which he or she is entitled in respect of himself or herself, any withholding exemption to which the other spouse is entitled under such paragraph (b)

but does not claim on a withholding exemption certificate.

Example (2). Assume the same facts as in Example (1) except that only the husband is an employee receiving wages. The husband is entitled to claim 4 withholding exemptions, that is, the 2 withholding exemptions to which he is entitled in respect of himself and the 2 withholding exemptions to which his spouse would be entitled under paragraph (b) of this section if she were an employee receiving wages.

(2) In determining the number of withholding exemptions to which an employee is entitled for himself and his spouse on any day, the employee's status as a single person or a married person and, if married, whether a withholding exemption is claimed by his spouse shall be determined as of such day. However, in the case of an employee whose spouse dies in the taxable year of the employee which begins in, or with, the calendar year in which the spouse dies, any withholding exemption which would be allowable to the employee in respect of such spouse, if living and not an employee receiving wages, may be claimed by the employee for that portion of the calendar year which occurs after his spouse's death. For provisions applicable in the case of an employee whose taxable year is not a calendar year, and whose spouse dies in that portion of the calendar year which precedes the first day of the taxable year of the employee which begins in the calendar year, see § 31.3402 (f) (2)-1 (b).

(d) *Withholding exemptions to which an employee is entitled in respect of dependents.* Subject to the limitations stated in this paragraph, an employee shall be entitled on any day to a withholding exemption for each individual who may reasonably be expected to be his dependent for his taxable year beginning in, or with, the calendar year in which such day falls. For purposes of the withholding exemption for an individual who may reasonably be expected to be a dependent, the following rules shall apply:

(1) The determination that an individual may or may not reasonably be expected to be a dependent shall be made on the basis of facts existing at the beginning of the day for which a withholding exemption for such individual is to be claimed. The individual in respect of whom an exemption is claimed by an employee must, on the day in question, be in existence and be within one of the categories listed in section 152 (a), which defines the term "dependent". However, a withholding exemption for a dependent who dies continues for the portion of the calendar year which occurs after the dependent's death, except that, in the case of an employee whose taxable year is not a calendar year, the withholding exemption does not continue for a dependent, within the meaning of section 152 (a) (9) or (10), whose death occurs before the first day of the employee's taxable year beginning in the calendar year of death.

(2) The determination that an individual may or may not reasonably be expected to be a dependent shall be made for the taxable year of the employee in respect of which amounts de-

ducted and withheld in the calendar year in which the day in question falls are allowed as a credit. In general, amounts deducted and withheld during any calendar year are allowed as a credit against the tax imposed by chapter 1 of the Code for the taxable year which begins in, or with, such calendar year. Thus, in order for an employee to be able to claim for a calendar year a withholding exemption with respect to a particular individual as a dependent there must be a reasonable expectation that the employee will be allowed an exemption with respect to such individual under section 151 (e) for his taxable year which begins in, or with, such calendar year.

(3) For the employee to be entitled on any day of the calendar year to a withholding exemption for an individual as a dependent, such individual must on such day—

(i) Be an individual referred to in one of the numbered paragraphs in section 152 (a),

(ii) Reasonably be expected to receive over one-half of his support, within the meaning of section 152, from the employee in the calendar year, and

(iii) Either (a) reasonably be expected to receive less than \$600 of gross income in the calendar year or (b) be a child (son, stepson, daughter, stepdaughter, adopted son, or adopted daughter) of the employee who (1) will not have attained the age of 19 at the close of the calendar year or (2) is a student as defined in section 151.

(4) An employee is not entitled to claim a withholding exemption for an individual otherwise reasonably expected to be a dependent of the employee if such individual is not a citizen of the United States, unless such individual (i) is at any time during the calendar year a resident of the United States, Canada, Mexico, the Canal Zone, or the Republic of Panama, or (ii) is a child of the employee born to him, or legally adopted by him, in the Philippine Islands before January 1, 1956, and the child is a resident of the Republic of the Philippines, and the employee was a member of the Armed Forces of the United States at the time the child was born to him or legally adopted by him.

§ 31.3402 (f) (2) *Statutory provisions; income tax collected at source; withholding exemptions; exemption certificates.*

Sec. 3402. Income tax collected at source. * * *

(1) Withholding exemptions—* * *

(2) *Exemption certificates.*—(A) *On commencement of employment.* On or before the date of the commencement of employment with an employer, the employee shall furnish the employer with a signed withholding exemption certificate relating to the number of withholding exemptions which he claims, which shall in no event exceed the number to which he is entitled.

(B) *Change of status.* If, on any day during the calendar year, the number of withholding exemptions to which the employee is entitled is less than the number of withholding exemptions claimed by the employee on the withholding exemption certificate then in effect with respect to him, the employee shall within 10 days there-

after furnish the employer with a new withholding exemption certificate relating to the number of withholding exemptions which the employee then claims, which shall in no event exceed the number to which he is entitled on such day. If, on any day during the calendar year, the number of withholding exemptions to which the employee is entitled is greater than the number of withholding exemptions claimed, the employee may furnish the employer with a new withholding exemption certificate relating to the number of withholding exemptions which the employee then claims, which shall in no event exceed the number to which he is entitled on such day.

(C) *Change of status which affects next calendar year.* If on any day during the calendar year the number of withholding exemptions to which the employee will be, or may reasonably be expected to be, entitled at the beginning of his next taxable year under subtitle A is different from the number to which the employee is entitled on such day, the employee shall, in such cases and at such times as the Secretary or his delegate may by regulations prescribe, furnish the employer with a withholding exemption certificate relating to the number of withholding exemptions which he claims with respect to such next taxable year, which shall in no event exceed the number to which he will be, or may reasonably be expected to be, so entitled.

§ 31.3402 (f) (2)—1 *Withholding exemption certificates.*—(a) *On commencement of employment.* On or before the date on which an individual commences employment with an employer, the individual shall furnish the employer with a signed withholding exemption certificate relating to the number of withholding exemptions which he claims, which shall in no event exceed the number to which he is entitled. For form and contents of such certificate, see § 31.3402 (f) (5)—1. The employer is required to request a withholding exemption certificate from each employee, but if the employee fails to furnish such certificate, such employee shall be considered as claiming no withholding exemptions.

(b) *Change in exemptions which affects calendar year.* (1) If, on any day during the calendar year, the number of withholding exemptions to which the employee is entitled is less than the number of withholding exemptions claimed by him on the withholding exemption certificate then in effect, the employee must within 10 days after the change occurs furnish the employer with a new withholding exemption certificate relating to the number of withholding exemptions which the employee then claims, which must in no event exceed the number to which he is entitled on such day. The number of withholding exemptions to which an employee is entitled decreases, for example, for any one of the following reasons:

(i) The employee's wife (or husband) for whom the employee has been claiming a withholding exemption (a) is divorced or legally separated from the employee, or (b) claims her (or his) own withholding exemption on a separate certificate.

(ii) In the case of an employee whose taxable year is not a calendar year, the employee's wife (or husband) for whom the employee has been claiming a withholding exemption dies in that portion of the calendar year which precedes the

first day of the taxable year of the employee which begins in the calendar year in which the spouse dies.

(iii) The employee finds that no exemption for his taxable year which begins in, or with, the current calendar year will be allowable to him under section 151 (e) in respect of an individual claimed as a dependent on the employee's withholding exemption certificate.

(2) If, on any day during the calendar year, the number of withholding exemptions to which the employee is entitled is more than the number of withholding exemptions claimed by him on the withholding exemption certificate then in effect, the employee may furnish the employer with a new withholding exemption certificate on which the employee must in no event claim more than the number of withholding exemptions to which he is entitled on such day.

(c) *Change in exemptions which affects next calendar year.* (1) If, on any day during the calendar year, the number of exemptions to which the employee will be, or may reasonably be expected to be, entitled under section 151 for his taxable year which begins in, or with, the next calendar year is different from the number to which the employee is entitled on such day, the following rules shall be applicable:

(i) If such number is less than the number of withholding exemptions claimed by the employee on a withholding exemption certificate in effect on such day, the employee must, on or before December 1 of the year in which the change occurs, unless such change occurs in December, furnish his employer with a new withholding exemption certificate reflecting the decrease in the number of withholding exemptions. If the change occurs in December, the new certificate must be furnished within 10 days after the change occurs. The number of exemptions to which an employee is entitled for his taxable year which begins in, or with, the next calendar year decreases, for example, for any of the following reasons:

(a) The spouse or a dependent of the employee dies.

(b) The employee finds that it is not reasonable to expect that an individual claimed as a dependent on the employee's withholding exemption certificate will qualify as a dependent of the employee for such taxable year.

(ii) If such number is greater than the number of withholding exemptions claimed by the employee on a withholding exemption certificate in effect on such day, the employee may, on or before December 1 of the year in which such change occurs, unless such change occurs in December, furnish his employer with a new withholding exemption certificate reflecting the increase in the number of withholding exemptions. If the change occurs in December, the certificate may be furnished on or after the date on which the change occurs.

(2) Before December 1 of each year, every employer should request each of his employees to file a new withholding exemption certificate for the ensuing calendar year, in the event of change in the employee's exemption status since the filing of his latest certificate.

§ 31.3402 (f) (3) *Statutory provisions; income tax collected at source; withholding exemptions; when exemption certificate takes effect.*

Sec. 3402. *Income tax collected at source.* * * *

(f) *Withholding exemptions—* * **
(3) *When certificate takes effect—(A) First certificate furnished.* A withholding exemption certificate furnished the employer in cases in which no previous such certificate is in effect shall take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the date on which such certificate is so furnished.

(B) *Furnished to take place of existing certificate.* A withholding exemption certificate furnished the employer in cases in which a previous such certificate is in effect shall take effect with respect to the first payment of wages made on or after the first status determination date which occurs at least 30 days from the date on which such certificate is so furnished, except that at the election of the employer such certificate may be made effective with respect to any payment of wages made on or after the date on which such certificate is so furnished; but a certificate furnished pursuant to paragraph (2) (C) shall not take effect, and may not be made effective, with respect to any payment of wages made in the calendar year in which the certificate is furnished. For purposes of this subparagraph the term "status determination date" means January 1 and July 1 of each year.

§ 31.3402 (f) (3)-1 *When withholding exemption certificate takes effect.* (a) A withholding exemption certificate furnished the employer in any case in which no previous withholding exemption certificate is in effect with such employer, shall take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the date on which such certificate is so furnished.

(b) A withholding exemption certificate furnished the employer in any case in which a previous withholding exemption certificate is in effect with such employer shall, except as hereinafter provided, take effect with respect to the first payment of wages made on or after the first status determination date which occurs at least 30 days after the date on which such certificate is so furnished. However, at the election of the employer, except as hereinafter provided, such certificate may be made effective with respect to any payment of wages made on or after the date on which such certificate is so furnished and before such status determination date.

(c) A withholding exemption certificate furnished the employer pursuant to section 3402 (f) (2) (C) (see § 31.3402 (f) (2)-1 (c)) which effects a change for the next calendar year, shall not take effect, and may not be made effective, with respect to the calendar year in which the certificate is furnished.

(d) For purposes of this section the term "status determination date" means January 1 and July 1 of each year.

§ 31.3402 (f) (4) *Statutory provisions; income tax collected at source; withholding exemptions; period during which exemption certificate remains in effect.*

Sec. 3402. *Income tax collected at source.* * * *

(f) *Withholding exemptions—* * **
(4) *Period during which certificate remains in effect.* A withholding exemption certificate which takes effect under this subsection, or which on December 31, 1954, was in effect under the corresponding subsection of prior law, shall continue in effect with respect to the employer until another such certificate takes effect under this subsection.

§ 31.3402 (f) (4)-1 *Period during which withholding exemption certificate remains in effect.* A withholding exemption certificate which takes effect under section 3402 (f), or which on December 31, 1954, was in effect under section 1622 (h) of the Internal Revenue Code of 1939, shall continue in effect with respect to the employee until another withholding exemption certificate takes effect under section 3402 (f).

§ 31.3402 (f) (5) *Statutory provisions; income tax collected at source; withholding exemptions; form and contents of exemption certificate.*

Sec. 3402. *Income tax collected at source.* * * *

(f) *Withholding exemptions—* * **
(5) *Form and contents of certificate.* Withholding exemption certificates shall be in such form and contain such information as the Secretary or his delegate may by regulations prescribe.

§ 31.3402 (f) (5)-1 *Form and contents of withholding exemption certificate.* Form W-4 is the form prescribed for the withholding exemption certificate required to be filed under section 3402 (f) (2). See § 31.3402 (f) (2)-1. A withholding exemption certificate on Form W-4 shall be prepared in accordance with the instructions and regulations applicable thereto, and shall set forth fully and clearly the data therein called for. Blank copies of Form W-4 will be supplied employers upon request to the district director. In lieu of the prescribed form of certificate, employers may prepare and use a form the provisions of which are identical with those of the prescribed form.

§ 31.3402 (g) *Statutory provisions; income tax collected at source; overlapping pay periods, and payment by agent or fiduciary.*

Sec. 3402. *Income tax collected at source.* * * *

(g) *Overlapping pay periods, and payment by agent or fiduciary.* If a payment of wages is made to an employee by an employer—

(1) With respect to a payroll period or other period, any part of which is included in a payroll period or other period with respect to which wages are also paid to such employee by such employer, or

(2) Without regard to any payroll period or other period, but on or prior to the expiration of a payroll period or other period with respect to which wages are also paid to such employee by such employer, or

(3) With respect to a period beginning in one and ending in another calendar year, or

(4) Through an agent, fiduciary, or other person who also has the control, receipt, custody, or disposal of, or pays, the wages payable by another employer to such employee, the manner of withholding and the amount to be deducted and withheld under this chapter shall be determined in accordance with regulations prescribed by the Secretary or his delegate under which the withholding

exemption allowed to the employee in any calendar year shall approximate the withholding exemption allowable with respect to an annual payroll period.

§ 31.3402 (g)-1 *Supplemental wage payments—(a) In general.* (1) An employee's remuneration may consist of wages paid for a payroll period and supplemental wages, such as bonuses, commissions, and overtime pay, paid for the same or a different period, or without regard to a particular period. When such supplemental wages are paid (whether or not at the same time as the regular wages) the amount of the tax required to be withheld under section 3402 (a) (the percentage method) or under section 3402 (c) (the wage bracket method) shall be determined in accordance with this paragraph or paragraph (b) of this section.

(2) The supplemental wages, if paid concurrently with wages for a payroll period, shall be aggregated with the wages paid for such payroll period. If not paid concurrently, the supplemental wages shall be aggregated with the wages paid or to be paid within the same calendar year for the last preceding payroll period or for the current payroll period. The amount of tax to be withheld shall be determined as if the aggregate of the supplemental wages and the regular wages constituted a single wage payment for the regular payroll period.

Example (1). A is employed as a salesman at a monthly salary of \$100 plus commissions on sales made during the month. The number of withholding exemptions claimed is one. During January 1955 A earns \$275 in commissions, which together with the salary of \$100 is paid on February 10, 1955. Under the wage bracket method the amount of the tax required to be withheld is shown in the table applicable to a monthly payroll period. Under this table it will be found that the amount of tax required to be withheld is \$57.00.

Example (2). B is employed at a salary of \$3,000 per annum paid semi-monthly on the 15th day and the last day of each month, plus a bonus and commission determined at the end of each 3-month period. The number of withholding exemptions claimed is four. The bonus and commission for the 3-month period ending on March 31, 1955, amount to \$250, which is paid on April 10, 1955. Under the wage bracket method, the amount of tax required to be withheld on the aggregate of the bonus of \$250 and the last preceding semi-monthly wage payment of \$125, or \$375, is \$46.60. Since tax in the amount of \$2.70 was withheld on the semi-monthly wage payment of \$125, the amount to be withheld on April 10, 1955, is \$43.90.

If, however, supplemental wages are paid and tax has been withheld from the employee's regular wages, the employer may determine the tax to be withheld from supplemental wages by using the applicable rate under section 3402 (a) without allowance for exemption and without reference to any regular payment of wages.

(3) For provisions relating to the treatment of wages paid other than in cash to retail commission salesmen, see: § 31.3402 (j)-1.

(b) *Special rule where aggregate withholding exemption exceeds wages paid.*
(1) If supplemental wages are paid to

an employee during a calendar year for a period which involves two or more consecutive payroll periods, for which other wages also are paid during such calendar year, and the aggregate of such other wages is less than the aggregate of the amounts determined under the table provided in section 3402 (b) (1) as the withholding exemptions applicable for such payroll periods, the amount of the tax required to be withheld on the supplemental wages shall be computed as follows:

Step 1. Determine an average wage for each of such payroll periods by dividing the sum of the supplemental wages and the wages paid for such payroll periods by the number of such payroll periods.

Step 2. Determine a tax for each payroll period as if the amount of the average wage constituted the wages paid for such payroll period.

Step 3. From the sum of the amounts of tax determined in Step 2 subtract the total amount of tax withheld, or to be withheld, from the wages, other than the supplemental wages, for such payroll periods. The remainder, if any, shall constitute the amount of the tax to be withheld upon the supplemental wages.

Example. An employee has a weekly payroll ending on Saturday of each week, the wages for which are paid on Friday of the succeeding week. On the 10th day of each month he is paid a bonus based upon production during the payroll periods for which wages were paid in the preceding month. The employee is paid a weekly wage of \$64 on each of the five Fridays occurring in April 1955. On May 10, 1955, the employee is paid a bonus of \$125 based upon production during the five payroll periods covered by the wages paid in April. On the date of payment of the bonus, the employee, who is married and has three children, has a withholding exemption certificate in effect claiming five withholding exemptions. The amount of the tax to be withheld from the bonus paid on May 10, 1955, is computed as follows:

Wages paid in April 1955 for 5 payroll periods (5 × \$64)	\$320.00
Bonus paid May 10, 1955	125.00
Aggregate of wages and bonus	445.00
Average wage per payroll period (\$445 ÷ 5)	89.00
Computation of tax under percentage method: Withholding exemptions (5 × \$13)	65.00
Remainder subject to tax	24.00
Tax on average wage for 1 week (18 percent of \$24)	4.32
Tax on average wage for 5 weeks	21.60
Less: Tax previously withheld on weekly wage payments of \$64	None
Tax to be withheld on supplemental wages	21.60
Computation of tax under wage bracket method:	
Tax on \$89 wage under weekly wage table (\$4.50 per week for 5 weeks)	22.50
Less: Tax previously withheld on weekly wage payments of \$64 (\$0.20 per week for 5 weeks)	1.00
Tax to be withheld on supplemental wages	21.50

(2) The rules prescribed in this paragraph shall, at the election of the employer, be applied in lieu of the rules prescribed in paragraph (a) of this section

except that this paragraph shall not be applicable in any case in which the payroll period of the employee is less than one week.

(c) *Vacation allowances.* Amounts of so-called "vacation allowances" shall be subject to withholding as though they were regular wage payments made for the period covered by the vacation. If the vacation allowance is paid in addition to the regular wage payment for such period, the rules applicable with respect to supplemental wage payments shall apply to such vacation allowance.

§ 31.3402 (g)-2 *Wages paid for payroll period of more than one year.* If wages are paid to an employee for a payroll period of more than one year, for the purpose of determining the amount of tax required to be deducted and withheld in respect of such wages—

(a) Under the percentage method, the amount of the tax shall be determined as if such payroll period constituted an annual payroll period, and

(b) Under the wage bracket method, the amount of the tax shall be determined as if such payroll period constituted a miscellaneous payroll period of 365 days.

§ 31.3402 (g)-3 *Wages paid through an agent, fiduciary, or other person on behalf of two or more employers.* (a) If a payment of wages is made to an employee by an employer through an agent, fiduciary, or other person who also has the control, receipt, custody, or disposal of, or pays the wages payable by another employer to such employee, the amount of the tax required to be withheld on each wage payment made through such agent, fiduciary, or person shall, whether the wages are paid separately on behalf of each employer or paid in a lump sum on behalf of all such employers, be determined upon the aggregate amount of such wage payment or payments in the same manner as if such aggregate amount had been paid by one employer. Hence, under either the percentage method or the wage bracket method the tax shall be determined upon the aggregate amount of the wage payment.

(b) In any such case, each employer shall be liable for the return and payment of a pro rata portion of the tax so determined, such portion to be determined in the ratio which the amount contributed by the particular employer bears to the aggregate of such wages.

(c) For example, three companies maintain a central management agency which carries on the administrative work of the several companies. The central agency organization consists of a staff of clerks, bookkeepers, stenographers, etc., who are the common employees of the three companies. The expenses of the central agency, including wages paid to the foregoing employees, are borne by the several companies in certain agreed proportions. Company X pays 45 percent, Company Y pays 35 percent and Company Z pays 20 percent of such expenses. The amount of the tax required to be withheld on the wages paid to persons employed in the central agency should be determined in accordance with the provisions of this section. In such

event, Company X is liable as an employer for the return and payment of 45 percent of the tax required to be withheld, Company Y is liable for the return and payment of 35 percent of the tax and Company Z is liable for the return and payment of 20 percent of the tax. (See § 31.3504-1, relating to acts to be performed by agents.)

§ 31.3402 (h) *Statutory provisions; income tax collected at source; withholding on basis of average wages.*

SEC. 3402. *Income tax collected at source.*

(h) *Withholding on basis of average wages.* The Secretary or his delegate may, under regulations prescribed by him, authorize employers—

(1) To estimate the wages which will be paid to any employee in any quarter of the calendar year,

(2) To determine the amount to be deducted and withheld upon each payment of wages to such employee during such quarter as if the appropriate average of the wages so estimated constituted the actual wages paid, and

(3) To deduct and withhold upon any payment of wages to such employee during such quarter such amount as may be necessary to adjust the amount actually deducted and withheld upon the wages of such employee during such quarter to the amount required to be deducted and withheld during such quarter without regard to this subsection.

§ 31.3402 (h)-1 *Withholding on basis of average wages.* The Commissioner may authorize the employer to withhold the tax under section 3402 on the basis of the employee's average estimated wages, with necessary adjustments, for any quarter. Before using such method the employer must receive authorization from the Commissioner. Applications to use such method must be accompanied by evidence establishing the need for the use of such method.

§ 31.3402 (i) *Statutory provisions; income tax collected at source; additional withholding.*

SEC. 3402. *Income tax collected at source.*

(i) *Additional withholding.* The Secretary or his delegate is authorized by regulations to provide, under such conditions and to such extent as he deems proper, for withholding in addition to that otherwise required under this section in cases in which the employer and the employee agree (in such form as the Secretary or his delegate may by regulations prescribe) to such additional withholding. Such additional withholding shall for all purposes be considered tax required to be deducted and withheld under this chapter.

§ 31.3402 (i)-1 *Additional withholding.* (a) In addition to the tax required to be deducted and withheld in accordance with the provisions of section 3402, the employer and employee may agree that an additional amount shall be withheld from the employee's wages. The agreement shall be in writing and shall be in such form as the employer may prescribe. The agreement shall be effective for such period as the employer and employee mutually agree upon. However, unless the agreement provides for an earlier termination, either the employer, or the employee, by furnishing a written notice to the other, may terminate the agreement effective with respect

to the first payment of wages made on or after the first "status determination date" (January 1 and July 1 of each year) which occurs at least 30 days after the date on which such notice is furnished.

(b) The amount deducted and withheld pursuant to an agreement between the employer and employee shall be considered as tax required to be deducted and withheld under section 3402. All provisions of law and regulations applicable with respect to the tax required to be deducted and withheld under section 3402 shall be applicable with respect to any amount deducted and withheld pursuant to the agreement.

§ 31.3402 (j) *Statutory provisions; income tax collected at source; noncash remuneration to retail commission salesman.*

SEC. 3402. *Income tax collected at source.* * * * (j) *Noncash remuneration to retail commission salesman.* In the case of remuneration paid in any medium other than cash for services performed by an individual as a retail salesman for a person, where the service performed by such individual for such person is ordinarily performed for remuneration solely by way of cash commission an employer shall not be required to deduct or withhold any tax under this subchapter [chapter] with respect to such remuneration, provided that such employer files with the Secretary or his delegate such information with respect to such remuneration as the Secretary or his delegate may by regulation prescribe.

[Sec. 3402 (j) as added by Act of Aug. 9, 1955, 69 Stat. 605, effective with respect to remuneration paid after the date of enactment.]

§ 31.3402 (j)-1 *Remuneration other than in cash for service performed by retail commission salesman—(a) In general.* (1) An employer, in computing the amount to be deducted and withheld as tax in accordance with section 3402, may, at his election, disregard any wages paid, after August 9, 1955, in a medium other than cash for services performed for him by an employee if (i) the noncash remuneration is paid for services performed by the employee as a retail commission salesman and (ii) the employer ordinarily pays the employee remuneration solely by way of cash commissions for services performed by him as a retail commission salesman.

(2) Section 3402 (j) and this section are not applicable with respect to non-cash wages paid to a retail commission salesman for services performed by him in a capacity other than as such a salesman. Such sections are not applicable with respect to noncash wages paid by an employer to an employee for services performed as a retail commission salesman if the employer ordinarily pays the employee remuneration other than by way of cash commissions for such services. Thus, noncash remuneration may not be disregarded in computing the amount to be deducted and withheld in a case where the employee, for services performed as a retail commission salesman, is paid both a salary and cash commissions on sales, or is ordinarily paid in something other than cash (stocks, bonds, or other forms of property) notwithstanding that the amount of re-

muneration paid to the employee is measured by sales.

(b) *Retail commission salesman.* For purposes of section 3402 (j) and this section, the term "retail commission salesman" includes an employee who is engaged in the solicitation of orders at retail, that is, from the ultimate consumer, for merchandise or other products offered for sale by his employer. The term does not include an employee salesman engaged in the solicitation on behalf of his employer of orders from wholesalers, retailers, or others, for merchandise for resale. However, if the salesman solicits orders for more than one principal, he is not excluded from the term solely because he solicits orders from wholesalers or retailers on behalf of one or more principals. In such case the salesman may be a retail commission salesman with respect to services performed for one or more principals and not with respect to services performed for his other principals.

(c) *Noncash remuneration.* The term "noncash remuneration" includes remuneration paid in any medium other than cash, such as goods or commodities, stocks, bonds, or other forms of property. The term does not include checks or other monetary media of exchange.

(d) *Cross reference.* For provisions relating to records required to be kept and statements which must be furnished an employee with respect to wage payments, see sections 6001 and 6051 and the regulations thereunder in Subpart G of this part.

§ 31.3403 *Statutory provisions; liability for tax.*

SEC. 3403. *Liability for tax.* The employer shall be liable for the payment of the tax required to be deducted and withheld under this chapter, and shall not be liable to any person for the amount of any such payment.

§ 31.3403-1 *Liability for tax.* Every employer required to deduct and withhold the tax under section 3402 from the wages of an employee is liable for the payment of such tax whether or not it is collected from the employee by the employer. If, for example, the employer deducts less than the correct amount of tax, or if he fails to deduct any part of the tax, he is nevertheless liable for the correct amount of the tax. See, however, § 31.3402 (d)-1. The employer is relieved of liability to any other person for the amount of any such tax withheld and paid to the district director or deposited with a duly designated depository of the United States.

§ 31.3404 *Statutory provisions; return and payment by governmental employer.*

SEC. 3404. *Return and payment by governmental employer.* If the employer is the United States, or a State, Territory, or political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing, the return of the amount deducted and withheld upon any wages may be made by any officer or employee of the United States, or of such State, Territory, or political subdivision, or of the District of Columbia, or of such agency or instrumentality, as the case may be, having control of the payment of such wages, or appropriately designated for that purpose.

§ 31.3404-1 *Return and payment by governmental employer.* If the United States, or a State, Territory, Puerto Rico, or a political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing, is an employer required to deduct and withhold tax under chapter 24, the return of the amount deducted and withheld as such tax may be made by the officer or employee having control of the payment of the wages or other officer or employee appropriately designated for that purpose. (For provisions relating to the execution and filing of returns, see Subpart G of the regulations in this part.)

[F. R. Doc. 57-1815; Filed, Mar. 8, 1957; 8:49 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 986]

[Docket No. AO-263]

MILK IN INDIANAPOLIS, IND., MARKETING AREA

DETERMINATION TO TERMINATE PROCEEDINGS WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED ORDER

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Indianapolis, Indiana, on November 15-19, 1954, pursuant to notice thereof issued on October 28, 1954 (19 F. R. 7085), upon a proposed marketing agreement and a proposed order regulating the handling of milk in the Indianapolis, Indiana, marketing area.

The recommended decision of the Acting Administrator, Agricultural Marketing Service, and the decision of the Assistant Secretary of Agriculture setting forth a proposed marketing agreement, a proposed order, and a referendum order, were issued June 17, 1955 (20 F. R. 4258) and January 30, 1956 (21 F. R. 739), respectively. On February 23, 1956, the Assistant Secretary of Agriculture ordered indefinite postponement of the referendum, (21 F. R. 1292).

In view of the fact that conditions in this market may have changed substantially and much of the evidence in the record of the hearing may be now obsolete, notice is hereby given that no further findings, or conclusions, or proposed marketing agreement, or proposed order regulating the handling of milk in the Indianapolis, Indiana, marketing area will be issued upon the basis of the November 15-19, 1954 hearing record, and that such proceeding is hereby terminated.

It is hereby ordered, That this notice be filed with the Hearing Clerk, United States Department of Agriculture, and be published in the FEDERAL REGISTER.

Issued at Washington, D. C., this 5th day of March 1957.

[SEAL]

EARL L. BUTZ,
Assistant Secretary.

[F. R. Doc. 57-1807; Filed, Mar. 8, 1957;
8:47 a. m.]

[7 CFR Parts 1002, 1009]

[Docket No. AO-268-A3]

MILK IN GREATER WHEELING AND CLARKSBURG MARKETING AREAS (WEST VIRGINIA-OHIO)

NOTICE OF HEARING ON PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENTS AND TO ORDERS, AS AMENDED

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held in the Hotel Waldo, Pike and Fourth Street, Clarksburg, West Virginia, beginning at 10:00 a. m., e. s. t., March 26, 1957, and in the Hotel Windsor, Main and 12th Street, Wheeling, West Virginia, beginning at 10:00 a. m., e. s. t., March 27, 1957, for the purposes of receiving evidence with respect to the proposed amendments hereinafter set forth, or appropriate modification thereof, to the tentative marketing agreements heretofore approved by the Secretary of Agriculture and to the orders, as amended, regulating the handling of milk in the Greater Wheeling and Clarksburg marketing areas (7 CFR 1002 and 1009 et seq.). Consideration will be given to the question of whether market conditions, as presented in the record, require emergency action with respect to any amendments deemed necessary as the result of this hearing. The proposed amendments have not received the approval of the Secretary of Agriculture.

Any proposal listed herein may be considered as opening for consideration the amendment of both of the orders in the manner set forth in the proposal, or appropriate modification thereof, unless the proposal is specifically indicated as applying to only one of the orders.

The proposals relative to the enlargement of the Greater Wheeling marketing area raise the issue whether the provisions of the present order (No. 102) would tend to effectuate the declared policy of the act, if they are applied to the marketing area as proposed to be enlarged, and, if not, what modifications of the provisions of the order, as amended, should be made to effectuate the declared policy of the act.

Amendments to the orders, as amended, regulating the handling of milk in the Greater Wheeling and Clarksburg marketing areas have been proposed as follows:

By the Snyder-Croghan Dairy:
1. Delete Kingwood, West Virginia, from the marketing area under the Clarksburg order.

By The Woodfield Ice and Creamery Company:

2. That the Greater Wheeling marketing area be enlarged to include Monroe County, Ohio.

By Ohio Valley Dairy and Products, Inc., and Broughton's Farm Dairy:

3. That the marketing area described in Federal Order No. 102 for the Greater Wheeling marketing area be amended to include all municipalities (including all cities, boroughs and townships) in the County of Guernsey, Ohio, which are not now included in the marketing area, and in addition thereto the township of Union in Muskingum County, Ohio.

By Dairymen's Co-Operative Sales Association:

4. In section 8 of both orders, raise the minimum percentages in Class I for distributing plants to 55 percent in April, May and June, and 65 percent in the other months.

By Clarksburg Dairy and Imperial Ice Cream Division of Fairmont Foods Company:

5. Amend pool plant definition in Clarksburg order (see §§ 1009.7, 1009.8, 1009.9 and 1009.10) to provide that plants to be exempted from full regulation shall be those plants disposing of less than 5 percent of their total fluid product sales or an average during the month of 600 pounds of Class I products per day within the marketing area.

6. Amend § 1009.41 (b) of the Clarksburg order to provide for Class II classification on butterfat contained in milk disposed of as livestock feed.

7. Amend the necessary sections in the Clarksburg order to provide for separate classification and pricing of the skim milk equivalent of concentrated milk products which are added to Class I fluid milk products.

By Dairymen's Co-Operative Sales Association:

8. Clarify provisions of the orders (Nos. 102 and 109) including section 6 of both orders, relating to transfers between handlers and diversion of producers between handlers in each market.

9. Review the Class I pricing so as to establish differentials to insure maintenance of supplies and proper class price relationships between adjacent markets. Increase each Class I differential 35 cents per hundredweight.

10. Consider the adoption of a new supply-demand formula, and to section 51 (a) of both orders, add the following proviso: "Provided, That no supply-demand factor shall be operative to reduce the price whenever producers supply less than 115 percent of Class I sales, nor shall any addition be made if producer supply exceeds 145 percent of Class I sales."

By J. D. Anderson, Morgantown, West Virginia:

11. Amend Clarksburg order (No. 109) as follows: Increase Class I prices by eliminating the differential of 45 cents for the months of February and succeeding months and by adding the sum of 45 cents to the base price established for the entire 12-month period.

By Dairymen's Co-Operative Sales Association:

12. Consider a seasonal price plan for Class II milk.

By Clarksburg Dairy and Imperial Ice Cream Division of Fairmont Foods Company:

13. Amend § 1009.52 of the Clarksburg order to provide a lower Class II butterfat differential.

By Dairymen's Co-Operative Sales Association:

14. Review location differentials and allocation of direct shipped milk to highest classes.

15. Amend section 19 of both orders to include the months of February and August in the definition of base milk.

16. Provide additional base rules to accommodate cases of disaster and involuntary retirement.

By J. D. Anderson, Morgantown, West Virginia:

17. In § 1009.91 (a), delete "September through December" and substitute "September through February."

Proposed by the Dairy Division, Agricultural Marketing Service:

18. Clarify order language with respect to:

(a) In §§ 1002.19 and 1009.19, definition of base milk is applied to number of days of milk production delivered;

(b) In §§ 1002.54 and 1009.54, the computation of the volume of Class I sales affecting whether compensatory payments are applicable in the month;

(c) In § 1002.71 (c) and § 1009.71 (c), the reference to location differentials;

(d) In § 1002.45 (a) (3) and § 1009.45 (a) (3), allocation of milk from other Federal order plants;

(e) In § 1009.5, spelling of "Weston"; and

(f) In § 1002.41 and § 1009.41, make specific reference to classification of fluid milk products sold to bakeries and other food processors who have no fluid sales.

19. Make such changes as may be required to make the entire marketing agreements and orders conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing and of the orders now in effect may be procured from the Market Administrator, 703 Hawley Building, 1025 Main Street, Wheeling, West Virginia, or from the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected.

Dated: March 6, 1957.

[SEAL]

ROY W. LENNARTSON,
Deputy Administrator.

[F. R. Doc. 57-1823; Filed, Mar. 8, 1957;
8:50 a. m.]

Commodity Stabilization Service

[7 CFR Part 722]

EXTRA LONG STAPLE COTTON

NOTICE OF FORMULATION OF REGULATIONS RELATING TO DETERMINATION OF FARM MARKETING QUOTA AND FARM MARKETING EXCESS, MARKETING, COLLECTION OF MARKETING PENALTIES, AND RECORDS AND REPORTS FOR 1957 CROP AND 1957-58 MARKETING YEAR

A national marketing quota proclamation for the 1957 crop of extra long staple

cotton was issued by the Secretary of Agriculture on October 15, 1956 (21 F. R. 7931), and the quota was approved by extra long staple cotton producers voting in a referendum on December 11, 1956. Farm acreage allotments for the 1957 crop of extra long staple cotton were established pursuant to sections 344 and 347 (c) of the Agricultural Adjustment Act of 1938, as amended; and notices thereof were mailed to farm operators prior to the date of the referendum in accordance with section 362 of the act.

Pursuant to the authority contained in the applicable provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1376), the Secretary of Agriculture is preparing to formulate and issue marketing quota regulations covering the identification of farms; the amount, adjustment and review of the farm marketing quota and farm marketing excess; the issuance of marketing cards and marketing certificates; the identification of extra long staple cotton which is marketed as being subject to or not subject to the penalty and lien for the penalty; the rate of the penalty and the manner in which penalties shall be paid by producers and buyers; the refunding of penalty overpayments; the records and reports required to be made by extra long staple cotton producers, ginners, buyers and others, and other miscellaneous provisions regarding the production and marketing of extra long staple cotton.

It is proposed that the regulations be substantially the same as the regulations in effect for the 1956-57 marketing year (21 F. R. 5173), except that a provision is to be included which will require warehousemen, processors (including compressmen), and common carriers, in conformity with section 373 (a) of the act, to keep available, for examination and inspection, records normally made in connection with the handling of cotton from, for, or on behalf of the producer thereof, until December 31, 1959, and for such longer period of time as may be requested in writing by the Director of the Cotton Division, Commodity Stabilization Service.

Prior to the issuance of such regulations, consideration will be given to any data, views, or information pertaining thereto which are submitted in writing to the Director, Cotton Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than 15 calendar days from the date of publication of this notice in the FEDERAL REGISTER in order to be considered. The date of the postmark will be considered as the date of any submission.

Issued this 5th day of March 1957.

[SEAL]

WALTER C. BERGER,
Administrator.

[F. R. Doc. 57-1808; Filed, Mar. 8, 1957;
8:47 a. m.]

[7 CFR Part 722]

UPLAND COTTON

NOTICE OF FORMULATION OF REGULATIONS RELATING TO DETERMINATION OF FARM MARKETING QUOTA AND FARM MARKETING EXCESS, MARKETING, COLLECTION OF MAR- KETING PENALTIES, AND RECORDS AND RE- PORTS FOR 1957 CROP AND 1957-58 MAR- KETING YEAR

A national marketing quota proclamation for the 1957 crop of upland cotton was issued by the Secretary of Agriculture on August 30, 1956 (21 F. R. 6691), and the quota was approved by upland cotton producers voting in a referendum on December 11, 1956. Farm acreage allotments for the 1957 crop of upland cotton were established pursuant to section 344 of the Agricultural Adjustment Act of 1938, as amended; and notices thereof were mailed to farm operators prior to the date of the referendum in accordance with section 362 of the act.

Pursuant to the authority contained in the applicable provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1376), the Secretary of Agriculture is preparing to formulate and issue marketing quota regulations covering the identification of farms; the amount, adjustment and review of the farm marketing quota and farm marketing excess; the issuance of marketing cards and marketing certificates; the identification of upland cotton which is marketed as being subject to or not subject to the penalty and lien for the penalty; the rate of the penalty and the manner in which penalties shall be paid by producers and buyers; the refunding of penalty overpayments; the records and reports required to be made by upland cotton producers, ginners, buyers and others; and other miscellaneous provisions regarding the production and marketing of upland cotton.

It is proposed that the regulations be substantially the same as the regulations in effect for the 1956-57 marketing year (21 F. R. 5164), except that a provision is to be included which will require warehousemen, processors (including compressmen), and common carriers, in conformity with section 373 (a) of the act, to keep available, for examination and inspection, records normally made in connection with the handling of cotton from, for, or on behalf of the producer thereof, until December 31, 1959, and for such longer period of time as may be requested in writing by the Director of the Cotton Division, Commodity Stabilization Service.

Prior to the issuance of such regulations, consideration will be given to any data, views, or information pertaining thereto which are submitted in writing to the Director, Cotton Division, Commodity Stabilization Service, United States Department of Agriculture, Washington 25, D. C. All submissions must be postmarked not later than 15 calendar days from the date of publication of this notice in the FEDERAL REGISTER in order to be considered. The

date of the postmark will be considered as the date of any submission.

Issued this 5th day of March 1957.

[SEAL]

WALTER C. BERGER,
Administrator.

[F. R. Doc. 57-1809; Filed, Mar. 8, 1957;
8:47 a. m.]

DEPARTMENT OF LABOR

Office of the Secretary

[29 CFR Part 4]

[Order 6]

CHILD LABOR REGULATIONS, ORDERS AND STATEMENTS OF INTERPRETATIONS

OCCUPATIONS INVOLVING EXPOSURE TO RADIOACTIVE SUBSTANCES AND IONIZING RADIATIONS

In accordance with the procedure governing determinations of hazardous occupations (29 CFR Part 4, Subpart D), an investigation has been conducted into the need for amending Hazardous Occupation Order No. 6 (29 CFR Part 4, § 4.57) for the purpose of controlling the extent of exposure to radiation in the light of current knowledge regarding the hazards of, and maximum permissible exposures to, radiation. The proposed amendment adds a new subdivision (v) to subparagraph (1) of paragraph (a) of § 4.57, for the purpose of incorporating permissible limits into the order. A new subparagraph (2) is added for the purpose of extending coverage of the order to include radiation from sealed sources of radioactivity.

A report of the investigation entitled, "Report of Investigation of the Advisability of Amending Hazardous Occupations Order No. 6" has been submitted. The report recommends that the Order be amended by incorporating the permissible exposure limits recommended by the National Committee on Radiation Protection, and by limiting the permissible exposure of minors to ten percent of the maximum permissible limits. Copies of this report are available to interested persons upon request to the Bureau of Labor Standards, United States Department of Labor, Washington, D. C.

On the basis of such conclusions and pursuant to authority conferred by section 3 (1) of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended; 29 U. S. C. 201 et seq.) and Reorganization Plan No. 2 (60 Stat. 1095) effective July 16, 1946, it is proposed to issue a finding and order in the form set forth below.

Accordingly, notice is hereby given of a public hearing to be held April 12, 1957, commencing at 10 a. m., in Room No. 5223, United States Department of Labor Building, 14th Street and Constitution Avenue NW., Washington 25, D. C., before a presiding officer to be hereafter designated, at which hearing interested parties may appear and be heard with respect to said proposed finding and order. All interested persons desiring to

appear at the hearing are requested to notify the Secretary of Labor at least five days prior to the date fixed for the hearing. Any interested person who is unable to appear in person may file a written comment or brief with the Secretary of Labor not later than the day prior to the hearing in order that the same may be made a part of the record at the hearing.

Proposed finding and order:

§ 4.57 *Occupations involving exposure to radioactive substances and to ionizing radiations (Order 6)*—(a) *Finding and declaration of fact.* The following occupations involving exposure to radioactive substances and to ionizing radiations are particularly hazardous and detrimental to health for minors between 16 and 18 years of age:

(1) Any work in any workroom in which (i) radium is stored or used in the manufacture of self-luminous compound, (ii) self-luminous compound is made, processed, or packaged, (iii) self-

luminous compound is stored, used, or worked upon, (iv) incandescent mantles are made from fabric and solutions containing thorium salts, or are processed or packaged, (v) other radioactive substances are present in the air in average concentrations exceeding 10 percent of the maximum permissible concentrations in the air recommended for occupational exposure by the National Committee on Radiation Protection, as set forth in Table 3 of National Bureau of Standards Handbook number 52, "Maximum Permissible Amounts of Radioisotopes in the Human Body and Maximum Permissible Concentrations in Air and Water", issued March 20, 1953.

(2) Any other work which involves exposure to ionizing radiations in excess of one-tenth the maximum permissible dose recommended by the National Committee on Radiation Protection, as set forth in National Bureau of Standards Handbook number 59, "Permissible Dose from External Sources of Ionizing Radiation", issued September 24, 1954.

(b) *Definitions.* As used in this section:

(1) The term "self-luminous compound" shall mean any mixture of phosphorescent material and radium, mesothorium, or other radioactive element.

(2) The term "workroom" shall include the entire area bounded by walls of solid material and extending from floor to ceiling.

(3) The term "ionizing radiations" shall mean alpha and beta particles, electrons, protons, neutrons, gamma and X-ray and all other radiations which produce ionizations directly or indirectly, but does not include electromagnetic radiations other than gamma and X-ray.

Signed at Washington, D. C., this 2d day of March 1957.

JAMES P. MITCHELL,
Secretary of Labor.

[F. R. Doc. 57-1824; Filed, Mar. 8, 1957; 8:51 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Commodity Stabilization Service

PEANUTS

NOTICE OF REDELEGATION OF FINAL AUTHORITY BY AGRICULTURAL STABILIZATION AND CONSERVATION STATE COMMITTEES FOR ARIZONA, LOUISIANA, NORTH CAROLINA, OKLAHOMA, SOUTH CAROLINA AND TEXAS

The Allotment and Marketing Quota Regulations for Peanuts of the 1957 and subsequent crops (21 F. R. 9370, 9760), issued pursuant to the allotment and marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1281-1393), provide that any authority delegated to the State Agricultural Stabilization and Conservation Committee by the regulations may be redelegated by the State committee. In accordance with section 3 (a) (1) of the Administrative Procedure Act (5 U. S. C. 1002 (a)), which requires delegations of final authority to be published in the FEDERAL REGISTER, there are set out herein redelegations of authority vested in the Agricultural Stabilization and Conservation State Committees by the regulations referred to above which have been made for the 1957 crop of peanuts by such committees in the States listed. The following sets forth the sections of the regulations containing the authority being redelegated and the persons to whom the authority has been redelegated.

ARIZONA

Sections 729.821 (a) and 729.829—To Harold E. Box, Program Specialist.

LOUISIANA

Sections 729.819 through 729.822—To C. E. Slack, State Administrative Officer, and J. R. Bath, Program Specialist.

NORTH CAROLINA

Sections 729.821 and 729.828—To A. P. Hassell, Jr., Chief, Administrative Division.

OKLAHOMA

Sections 729.822, 729.828, 729.849 and 729.857—To S. A. Shelby, Chief, Production Adjustment Section, and B. B. Boatman, Program Specialist.

SOUTH CAROLINA

Section 729.828—To Wilder S. Funk, State Administrative Officer, Joseph W. Jenny, Program Specialist (PA), and Carl B. Ringer, Assistant Chief, Administrative Division.

TEXAS

Section 729.828—To H. H. Marshall, Chief, Production Adjustment Section, W. M. Hott, Program Specialist (PA), Paul H. Johnson, Program Specialist (PA), and each District Farmer Fieldman.

Issued at Washington, D. C., this 5th day of March 1957.

[SEAL] WALTER C. BERGER,
Administrator,
Commodity Stabilization Service.

[F. R. Doc. 57-1810; Filed, Mar. 8, 1957; 8:47 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. SA-323]

ACCIDENT OCCURRING NEAR SUNLAND,
CALIF.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry N 8210H and military F-89J, which occurred near Sunland, California, January 31, 1957.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Wednesday, March 20, 1957, at 9:30 a. m., local time, in the Blossom Room of the Hollywood Roosevelt Hotel, Hollywood, California.

Dated at Washington, D. C., March 4, 1957.

[SEAL] THOMAS K. McDILL,
Presiding Officer.

[F. R. Doc. 57-1797; Filed, Mar. 8, 1957; 8:45 a. m.]

[Docket No. 8462]

HACIENDA HOTELS-MOTELS, ROOMS, AND
FLIGHT RESERVATIONS, INC. AND U. S.
AIRCOACH; ENFORCEMENT PROCEEDING

NOTICE OF HEARING

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that public hearing in the above-entitled matter is assigned to be held on March 19, 1957, at 10:00 a. m., e. s. t., in Room E-210, Temporary Building No. 5, 16th Street and Constitution Avenue NW., Washington, D. C., before Examiner Walter W. Bryan.

Dated at Washington, D. C., March 6, 1957.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 57-1825; Filed, Mar. 8, 1957; 8:51 a. m.]

[Docket No. 8242]

SHULMAN, INC., INTERLOCK AND CONTROL
RELATIONSHIPS

NOTICE OF PREHEARING CONFERENCE

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on March 11, 1957, at 10:00 a. m., e. s. t., in Room E-224, Temporary Building No. 5, 16th Street and Constitution Avenue NW., Washington, D. C., before Examiner Paul N. Pfeiffer.

Dated at Washington, D. C., March 6, 1957.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 57-1826; Filed, Mar. 8, 1957;
8:51 a. m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

LOUIS F. FRAZZA

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of March 20, 1956, 21 F. R. 1737, and September 8, 1956, 21 F. R. 6846.

- A. Deletions: None.
- B. Additions: None.

This statement is made as of March 5, 1957.

Dated: March 5, 1957.

LOUIS F. FRAZZA.

[F. R. Doc. 57-1801; Filed, Mar. 8, 1957;
8:46 a. m.]

RICHMOND LEWIS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of September 8, 1956, 21 F. R. 6845.

- A. Deletions: Burlington Industries.
- B. Additions: No changes.

This statement is made as of February 27, 1957.

Dated: February 27, 1957.

RICHMOND LEWIS.

[F. R. Doc. 57-1802; Filed, Mar. 8, 1957;
8:46 a. m.]

TERRY B. MARTIN

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of Section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of February 29, 1956, 21 F. R. 1329; August 22, 1956, 21 F. R. 6307.

- A. Deletions: No change.
- B. Additions: No change.

This statement is made as of February 15, 1957.

Dated: February 18, 1957.

TERRY B. MARTIN.

[F. R. Doc. 57-1803; Filed, Mar. 8, 1957;
8:46 a. m.]

MARGUERITE M. SAUERS

STATEMENT OF CHANGES IN FINANCIAL INTERESTS

In accordance with the requirements of section 710 (b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER of April 3, 1956, 21 F. R. 2130 and September 6, 1956, 21 F. R. 6721.

- A. Deletions: No change.
- B. Additions: Washington Iron and Steel Co., Washington, Pa.

This statement is made as of February 28, 1957.

Dated: March 1, 1957.

MARGUERITE M. SAUERS.

[F. R. Doc. 57-1805; Filed, Mar. 8, 1957;
8:47 a. m.]

AL SERAFIN MINETTI

REPORT OF APPOINTMENT AND STATEMENT OF FINANCIAL INTERESTS

Report of appointment and statement of financial interests required by section 710 (b) (6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. Al Serafin Minetti.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: March 1, 1957.
4. Title of position: Consultant.
5. Name of private employer: Harron, Rickard & McCone Company of Northern California, 2070 Bryant Street, San Francisco, California.

CARLTON HAYWARD,
Director of Personnel.

FEBRUARY 8, 1957.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Portland General Electric Co.
Pacific Gas and Electric Co.
The Southern Co.
The California Oregon Power Co.
General Motors Corporation.
Arizona Public Service Co.
James Kilburg Corporation.
Harron Rickard & McCone Co. of Northern California.
Bank Deposits.

Dated: March 1, 1957.

AL SERAFIN MINETTI.

[F. R. Doc. 57-1804; Filed, Mar. 8, 1957;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3567]

OHIO EDISON CO.

NOTICE OF PROPOSED ACQUISITION OF UTILITY ASSETS

MARCH 5, 1957.

Notice is hereby given that Ohio Edison Company ("Company"), a registered holding company and a public utility company, has filed an application pursuant to the Public Utility Holding Company Act of 1935 ("act"), designating sections 9 (a) (1) and 10 thereof as applicable to the proposed transaction, which is summarized as follows:

Pursuant to a Sale Agreement dated February 11, 1957, the Company proposes to acquire from the City of Gallion, Ohio ("City"), for \$2,784, cash, a single-phase 2,400-volt distribution line approximately 1.2 miles long.

The Company presently supplies power at wholesale to City's electric distribution system. The property to be acquired is in close proximity to surrounding rural areas now being served by the Company at retail and will be operated as a part of the Company's integrated system. It is stated that the distribution line presently serves seven customers, with revenue of \$1,066.36 for the twelve months ended June 30, 1956, and that the application of the Company's rates will result in a reduction in the bills of such customers.

The Company proposes to record the acquired property on its books on the basis of original cost, actual or estimated, and to dispose of the difference, if any, between the purchase price and such original cost in accordance with the accounting regulations and orders of the Public Utilities Commission of Ohio and the Federal Power Commission, which will have accounting jurisdiction with respect thereto. It is stated that no commission other than this Commission has jurisdiction over the proposed acquisition.

The Company estimates its fees and expenses in connection with the matter at \$150.

Notice is further given that any interested person may, not later than March 19, 1957 at 5:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for

such request, and the issues of fact or law, if any, raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after said date, the application, as filed or as amended, may be granted as provided by Rule U-23 of the rules and regulations promulgated under the act, or the Commission may grant exemption from its rules as provided in Rules U-20 (a) and U-100, or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 57-1800; Filed, Mar. 8, 1957;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

MARCH 6, 1957.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 33341: *Substituted service-motor-rail-motor, Pennsylvania Railroad.* Filed by The Eastern Central Motor Carriers Association, Inc., for the Pennsylvania Railroad Company and interested motor carriers. Rates on freight loaded in highway trailers and transported on railroad flat cars between Cleveland, Ohio, and Philadelphia, Pa., on traffic originating at, or destined to, points on motor carriers beyond the named points.

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to the Eastern Central Motor Carriers Association, Inc., Agent, I. C. C. No. 14.

FSA No. 33342: *Substituted service-motor-rail-motor, Erie and N. Y. N. H. & H. Railroads.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent, for interested rail and motor carriers. Rates on freight loaded in highway trailers and transported on railroad flat cars between Hammond, Ind., and Boston, Mass. (on traffic originating at, or destined to, points on motor carriers beyond the named points).

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to The Eastern Central Motor Carriers Association, Inc., Agent, I. C. C. No. 14.

FSA No. 33343: *Substituted service-motor-rail-motor, M-K-T and Pennsylvania Railroads.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent, for interested rail and motor carriers. Rates on freight loaded in highway trailers and transported on railroad flat cars between Parsons, Kans., and Kearny, N. J., or Philadelphia, Pa.,

(on traffic originating at, or destined to, points on motor carriers beyond the named points).

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to The Eastern Central Motor Carriers Association, Inc., Agent, I. C. C. No. 14.

FSA No. 33344: *Substituted service-motor-rail-motor, M-K-T and The Pennsylvania Railroad.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent, for interested rail and motor carriers. Rates on freight loaded in highway trailers and transported on railroad flat cars between Dallas, Ft. Worth, Houston, and San Antonio, Tex., on the one hand, and Kearny, N. J., or Philadelphia, Pa., on the other (on traffic originating at, or destined to, points on motor carriers beyond the named points).

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to The Eastern Central Motor Carriers Association, Inc., Agent, I. C. C. No. 14.

FSA No. 33345: *Substituted service-motor-rail-motor, N. Y. N. H. & H. and The Pennsylvania Railroads.* Filed by The Eastern Central Motor Carriers Association, Inc., Agent, for interested rail and motor carriers. Rates on freight loaded in highway trailers and transported on railroad flat cars between Cleveland, Ohio, and Boston, Mass. (on traffic originating at, or destined to, points on motor carriers beyond the named points).

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to The Eastern Central Motor Carriers Association, Inc., Agent, I. C. C. No. 14.

FSA No. 33346: *Crude rubber-Baton Rouge and North Baton Rouge, La., to South Bound Brook, N. J.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on rubber, crude, artificial, synthetic or neoprene, carloads from Baton Rouge, and North Baton Rouge, La., to South Bound Brook, N. J.

Ground for relief: Short-line distance formula and circuitous routes.

Tariff: Supplement 49 to Alternate Agent J. H. Marqu's tariff I. C. C. 442.

FSA No. 33347: *Sulphuric acid, to Nichols, Fla., and Albany, Ga.* Filed by F. C. Kratzmeier, Agent, for interested rail carriers. Rates on sulphuric acid, tank-car loads from Lake Charles, West Lake Charles, La., Tulsa, Okla., Baytown, Ft. Worth and Houston, Tex., to Nichols, Fla., and Albany, Ga.

Grounds for relief: Modified short-line distance formula and circuitous routes.

Tariffs: Supplement 205 to Agent Kratzmeier's tariff I. C. C. 4087 and two other tariffs.

FSA No. 33348: *All commodities to Black Rock and Buffalo, N. Y.* Filed by O. W. South, Jr., Agent, for interested rail carriers. Rates on merchandise, mixed carloads from Charlotte, Gastonia, N. C., Greenville and Spartanburg, S. C., to Black Rock and Buffalo, N. Y.

Grounds for relief: Circuitous routes.

Tariff: Supplement 68 to Agent Spaninger's tariff I. C. C. 1458.

FSA No. 33349: *Organic ammonia compounds-Hattiesburg, Miss., to Chicago, Ill.* Filed by The St. Louis-San Francisco Railway Company, Agent, for interested rail carriers. Rates on organic ammonia compounds, namely, products of ammoniation of rosin, in drums, carloads from Hattiesburg, Miss., to Chicago, Ill.

Grounds for relief: Circuitous routes in part west of the Mississippi River.

By the Commission.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F. R. Doc. 57-1799; Filed, Mar. 8, 1957;
8:45 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

[Vesting Order SA-159]

TRACTA-MARIN BUTCULESCU

In re: debt owing to Tracta-Marin Butculescu, F-57-640.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363), Department of Justice Order No. 106-55, November 23, 1955 (20 F. R. 8993), and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: That certain debt or other obligation of the Adams Division, LeTourneau-Westinghouse Company, Indianapolis 6, Indiana, in the sum of \$2,148.00, arising out of an account payable entitled, "Tracta-Marin Butculescu, Bucharest, Roumania," maintained by the aforesaid company, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by Tracta-Marin Butculescu, Bucharest, Rumania, a national of Rumania as defined in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the property described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Atten-

tion is directed to section 205 of said Title II (69 Stat. 562) which provides that:

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on March 6, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-1816; Filed, Mar. 8, 1957;
8:49 a. m.]

[Vesting Order SA-160]

NATIONALS OF HUNGARY

In re: debt owing to Nationals of Hungary, names unknown. F-34-1127.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363), Department of Justice Order No. 106-55, November 23, 1955 (20 F. R. 8993), and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: That certain debt or other obligation of Amsinck, Sonne & Co., 96 Wall Street, New York, New York, arising out of an account entitled "American Pleda, Inc. H. R. G. Stockholders, c/o Wachtell, Manheim & Grouf, 15 Broad Street, New York, N. Y. Blocked Account," maintained by the aforesaid company, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by a person or persons, names unknown, who are nationals of Hungary as defined in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the prop-

erty described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Attention is directed to section 205 of said Title II (69 Stat. 562) which provides that:

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on March 6, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-1817; Filed, Mar. 8, 1957;
8:49 a. m.]

[Vesting Order SA-161]

DREHER-HAGGENMACHERERSTEUNGARISCHE AKTIENBRAUEREI A. G.

In re: debt owing to Dreher-Haggenmacher Erste Ungarische Aktienbrauerei A. G., also known as Dreher-Haggenmacher First Hungarian Breweries, Ltd.; F-34-1005.

Under the authority of Title II of the International Claims Settlement Act of 1949, as amended (69 Stat. 562), Executive Order 10644, November 7, 1955 (20 F. R. 8363), Department of Justice Order No. 106-55, November 23, 1955 (20 F. R. 8993), and pursuant to law, after investigation, it is hereby found and determined:

1. That the property described as follows: That certain debt or other obligation of the Guaranty Trust Company of

New York, 140 Broadway, New York 15, New York, arising out of an account entitled "Dreher-Haggenmacher First Hungarian Breweries, Ltd., % Stephen Danos, P. O. Box 623, New Orleans, Louisiana," maintained at the aforesaid bank, together with any and all rights to demand, enforce and collect the same,

is property within the United States which was blocked in accordance with Executive Order 8389, as amended, and remained blocked on August 9, 1955, and which is, and as of September 15, 1947, was, owned directly or indirectly by Dreher-Haggenmacher Erste Ungarische Aktienbrauerei A. G., also known as Dreher-Haggenmacher First Hungarian Breweries, Ltd., Budapest, Hungary, a national of Hungary as defined in said Executive Order 8389, as amended.

2. That the property described herein is not owned directly by a natural person.

There is hereby vested in the Attorney General of the United States the property described above, to be administered, sold, or otherwise liquidated, in accordance with the provisions of Title II of the International Claims Settlement Act of 1949, as amended.

It is hereby required that the property described above be paid, conveyed, transferred, assigned and delivered to or for the account of the Attorney General of the United States in accordance with directions and instructions issued by or for the Assistant Attorney General, Director, Office of Alien Property, Department of Justice.

The foregoing requirement and any supplement thereto shall be deemed instructions or directions issued under Title II of the International Claims Settlement Act of 1949, as amended. Attention is directed to section 205 of said Title II (69 Stat. 562) which provides that:

Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

Executed at Washington, D. C., on March 6, 1957.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 57-1818; Filed, Mar. 8, 1957;
8:49 a. m.]



